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A PROFILE OF CANADA'S INTERNATIONAL TRADE AND INVESTMENT

Michael Holden
Economics Division

Revised 29 June 2005

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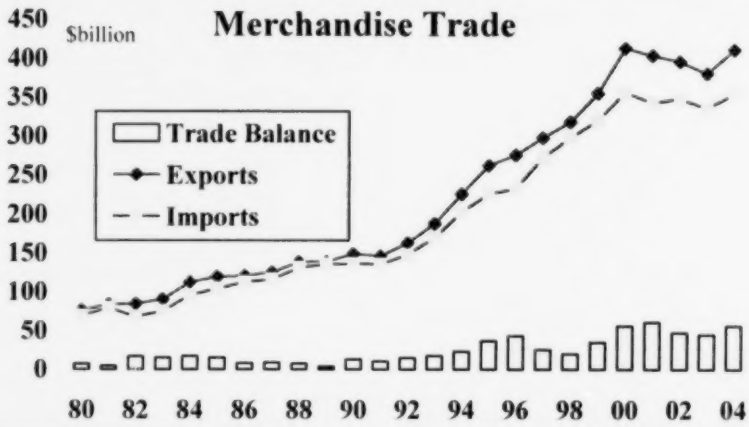
A PROFILE OF CANADA'S INTERNATIONAL TRADE AND INVESTMENT

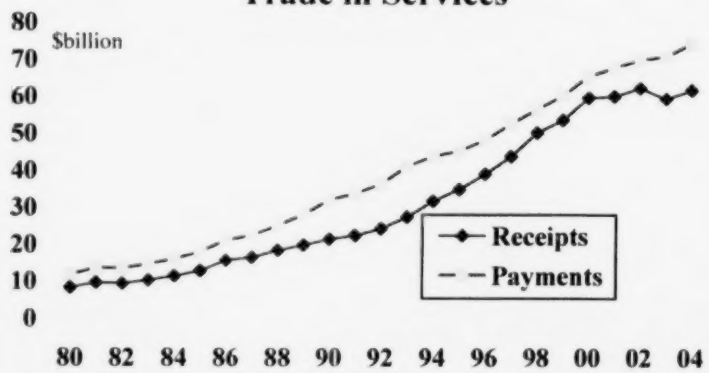
CANADA AND THE WORLD

A. Trade and Investment Overview



- Canada's total merchandise trade (exports plus imports) was valued at $767 billion in 2004, up 6.9% over 2003 levels, ending three consecutive years of declining trade.
- Trade has increased both with the United States (U.S.) and with non-U.S. markets alike.
- Canada's trade surplus reached $56 billion in 2004 – a 25% increase over its 2003 level.

- Trade in services is an important and oft-overlooked component of Canada's total international transactions.
- Commercial services comprise 53% of Canada's total services receipts (exports) and 49% of payments (imports).
- After falling in 2003 because of a higher Canadian dollar, travel service sales reached near-record levels in 2004.



Note: Includes government services beginning in 1996.

- Foreign direct investment (FDI) is widely believed to be a precursor to trade growth.
- FDI refers to direct acquisition or construction of physical assets such as plants, companies and factories.
- Canada was for many years a net destination for FDI, but became a net investor abroad in the mid- to late 1990s.

Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.
Note: This document uses data available in spring 2005. Data are subject to periodic revisions.

CANADA AND THE WORLD

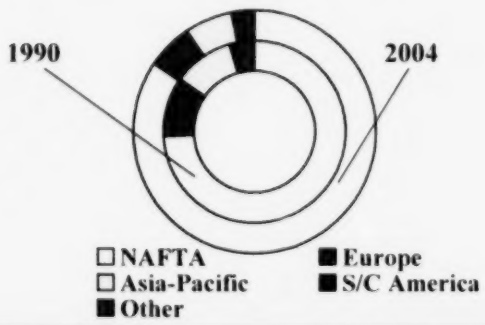
B. Merchandise Exports

Major Export Destinations

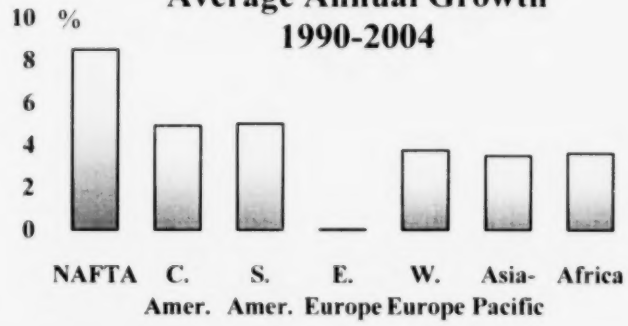
	Value ($billion)		Growth/yr.	Share of Total (%)	
	1990	2004	1990-2004	1990	2004
United States	111.6	348.2	8.5%	74.9	84.6
Japan	8.2	8.5	0.3%	5.5	2.1
United Kingdom	3.5	7.6	5.6%	2.4	1.8
China	1.7	6.6	10.2%	1.1	1.6
Mexico	0.7	3.0	11.4%	0.4	0.7
Germany	2.3	2.7	1.0%	1.6	0.6
France	1.3	2.4	4.4%	0.9	0.6
South Korea	1.6	2.3	2.7%	1.0	0.5
Belgium	1.2	2.1	3.8%	0.8	0.5
Netherlands	1.6	2.0	1.4%	1.1	0.5
Subtotal	**133.8**	**385.3**	**7.8%**	**89.8**	**93.7**
Others	15.2	26.0	3.9%	10.2	6.3
Total	**149.0**	**411.4**	**7.5%**	**100**	**100**

- The top ten destinations account for 94% of Canada's total merchandise exports. The U.S. is by far Canada's largest destination.
- Exports to most major destinations have grown from 1990 to 2004, but the U.S., China and Mexico are the only countries to gain market share over that period.

Exports by Major Region



Average Annual Growth 1990-2004



Note: Africa includes the Middle East

Major Export Products

	Value ($billion)		Growth/yr.	Share of Total (%)	
	1990	2004	1990-2004	1990	2004
Motor vehicles, parts and related	32.1	80.1	6.8%	21.5	19.5
Fossil fuels, energy and related	15.2	68.6	11.4%	10.2	16.7
Machinery and equipment	12.3	32.7	7.2%	8.2	7.9
Wood and articles of wood	7.1	22.0	8.4%	4.7	5.3
Electrical/electronic machinery and equipment	7.0	18.9	7.3%	4.7	4.6
Paper and paper products	9.1	15.4	3.8%	6.1	3.8
Plastics and articles thereof	2.4	13.1	12.9%	1.6	3.2
Aerospace vehicles, parts	3.2	9.5	8.1%	2.1	2.3
Aluminum and articles thereof	3.5	8.8	6.8%	2.4	2.1
Furniture, furnishings, prefab. buildings	1.7	8.1	11.8%	1.1	2.0
Subtotal	**93.4**	**277.2**	**8.1%**	**62.7**	**67.4**
Other	55.6	134.1	6.5%	37.3	32.6
Total	**149.0**	**411.4**	**7.5%**	**100**	**100**

Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

CANADA AND THE WORLD

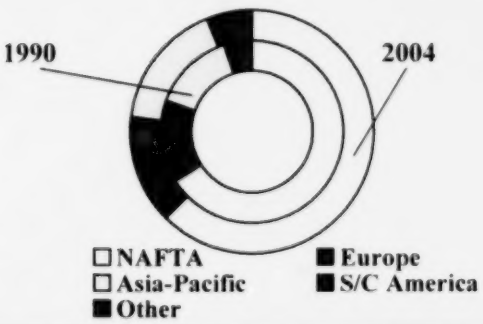
C. Merchandise Imports

Major Import Sources

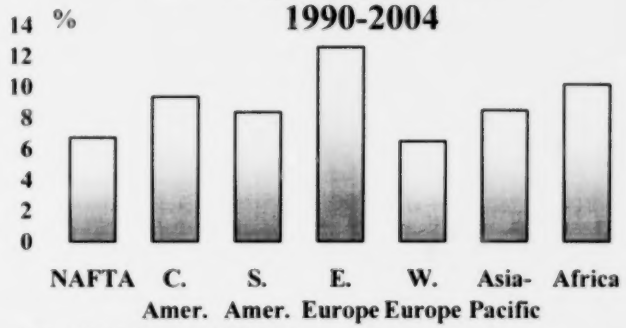
	Value ($billion)		Growth/yr.	Share of Total (%)	
	1990	2004	1990-2004	1990	2004
United States	87.9	208.9	6.4%	64.5	58.8
China	1.4	24.1	22.6%	1.0	6.8
Mexico	1.7	13.4	15.7%	1.3	3.8
Japan	9.5	13.4	2.4%	7.0	3.8
United Kingdom	4.9	9.6	5.0%	3.6	2.7
Germany	3.8	9.4	6.6%	2.8	2.7
South Korea	2.3	5.8	7.0%	1.7	1.6
France	2.4	5.3	5.7%	1.8	1.5
Norway	1.7	5.0	8.0%	1.2	1.4
Italy	2.0	4.6	6.3%	1.4	1.3
Subtotal	**117.6**	**299.5**	**6.9%**	**86.3**	**84.3**
Others	18.6	55.8	8.1%	13.7	15.7
Total	**136.2**	**355.2**	**7.1%**	**100**	**100**

- The sources of merchandise imports into Canada are much more diverse than are export destinations.
- Import growth from most major sources has been strong since 1990, especially from China, which is emerging as a major source of imports into Canada.

Imports by Major Region



Average Annual Growth 1990-2004



Note: Africa includes the Middle East.

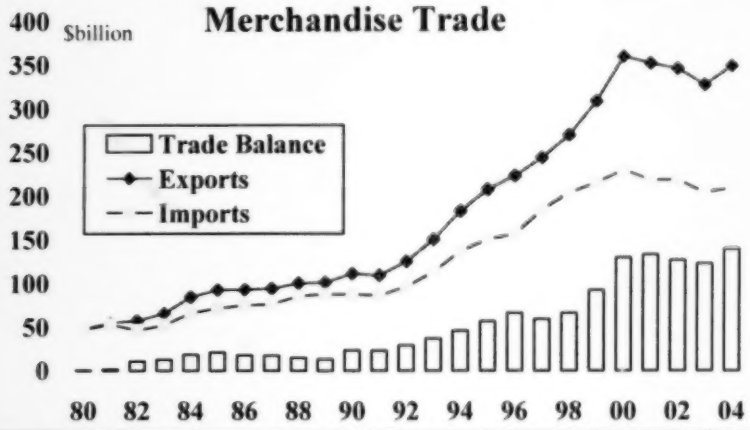
Major Import Products

	Value ($billion)		Growth/yr.	Share of Total (%)	
	1990	2004	1990-2004	1990	2004
Motor vehicles, parts and related	26.5	64.4	6.6%	19.4	18.1
Machinery and equipment	24.6	58.4	6.4%	18.1	16.5
Electrical/electronic machinery and equipment	14.8	36.6	6.7%	10.9	10.3
Fossil fuels, energy and related	8.6	25.2	7.9%	6.3	7.1
Plastics and articles thereof	3.6	12.7	9.5%	2.6	3.6
Optical, scientific and technical instruments	4.2	11.5	7.4%	3.1	3.2
Pharmaceutical products	0.8	8.5	18.5%	0.6	2.4
Iron and steel	2.0	7.6	10.0%	1.5	2.1
Articles of iron or steel	2.5	7.3	7.9%	1.8	2.0
Organic chemicals	2.0	6.7	9.0%	1.5	1.9
Subtotal	**89.7**	**238.9**	**7.2%**	**65.8**	**67.3**
Other	46.6	116.3	6.8%	34.2	32.7
Total	**136.2**	**355.2**	**7.1%**	**100**	**100**

Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

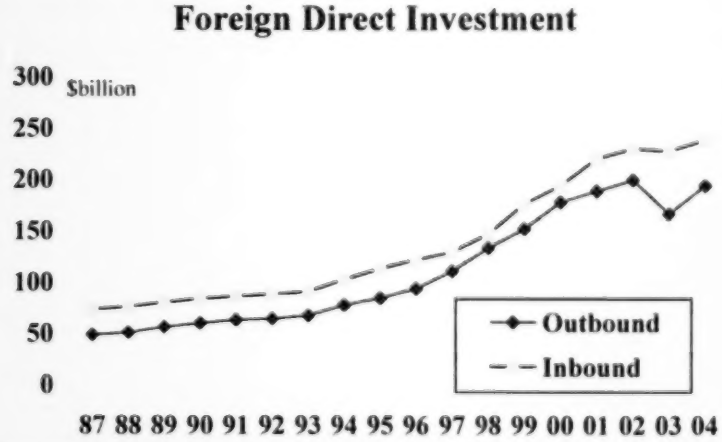
UNITED STATES

A. Trade and Investment Overview



- Two-way merchandise trade totalled $557 billion in 2004, accounting for 72.7% of Canada's total trade worldwide.
- In 2004, total trade with the U.S. grew for the first time in four years.
- Despite a higher Canadian dollar, Canada's trade surplus with the U.S. reached a record $139 billion in 2004.

- The U.S. accounts for just under 60% of Canada's total trade in services.
- Canada's trade deficit in services is largely because of higher sales of U.S. commercial services in Canada.
- Trade with the U.S. in all major categories of services has been stagnant since 2000.

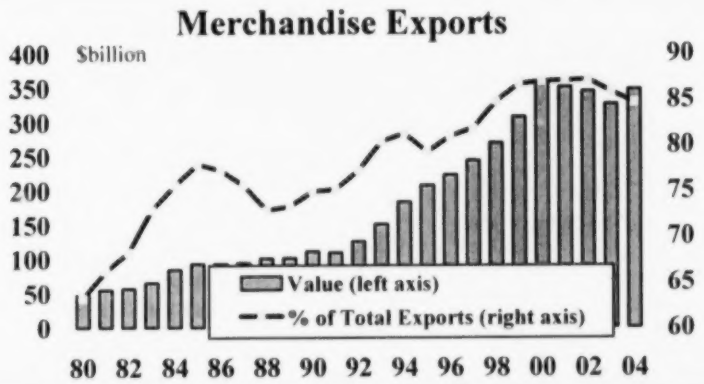


- The U.S. is by far Canada's largest source of, and destination for, FDI. It accounts for 64% of inbound FDI, and 41% of Canadian FDI goes to the U.S.
- The decline in outbound FDI in 2003 was largely due to the stronger exchange rate, which lowered the Canadian-dollar value of U.S.-dollar assets.

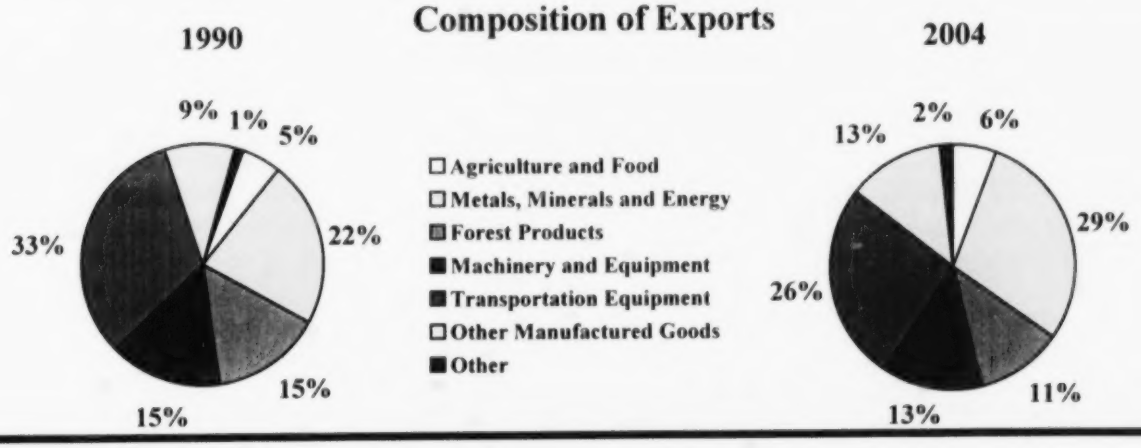
Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

UNITED STATES

B. Merchandise Exports



- Canada exported $348 billion in goods to the U.S. in 2004. Stronger economic growth in the U.S. in 2004 helped Canadian exports end three consecutive years of decline.
- The share of total exports going to the U.S. is falling. In 2004, 84.6% of Canada's exports went to the U.S., the lowest proportion since 1997.



Major Export Products

	Value ($billion)		Growth: 1990-2004	
	1990	2004	$billion	%/yr.
Motor vehicles, parts and related	31.2	77.6	46.4	6.7
Fossil fuels, energy and related	12.8	66.5	53.7	12.5
Machinery and equipment	9.5	26.1	16.6	7.5
Wood and articles of wood	4.4	19.2	14.8	11.1
Electrical/electronic machinery and equipment	5.7	14.2	8.5	6.7
Paper and paper products	7.6	13.4	5.7	4.1
Plastics and articles thereof	1.9	12.3	10.4	14.4
Aluminum and articles thereof	2.5	7.8	5.3	8.5
Furniture, furnishings, prefab. buildings	1.5	7.7	6.1	12.1
Aerospace vehicles, parts	2.1	7.1	5.0	9.0
Articles of iron or steel	1.5	5.3	3.8	9.3
Iron and steel	1.6	4.8	3.3	8.3
Rubber and articles thereof	1.2	3.6	2.4	8.1

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UNITED STATES

B. Merchandise Exports (cont'd)

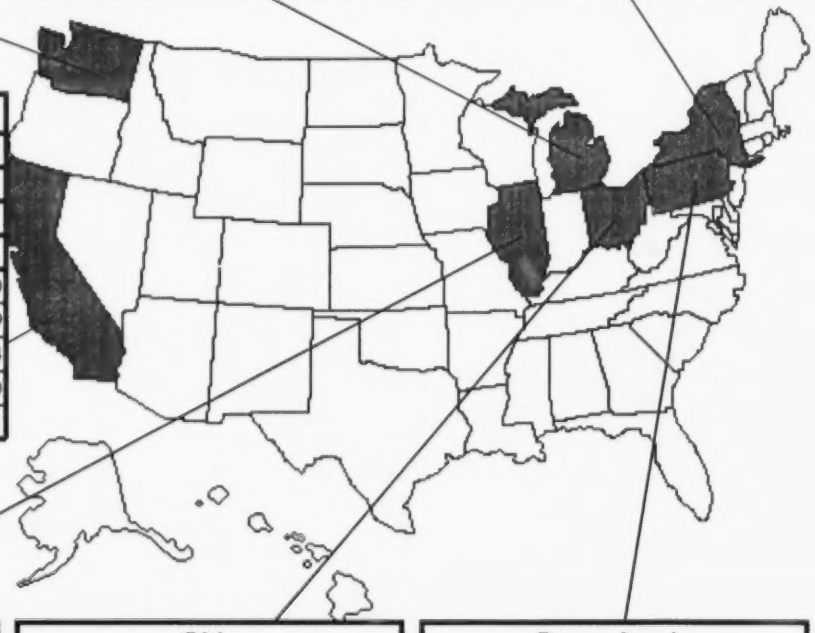
Major Export Destinations in the United States

Washington			
Export Value ($b)	Growth 1990-2004	% of Total to: U.S.	World
15.2	8.8%/yr	4.4%	3.7%
Major Products ($b):			
Fossil fuels, energy and related			8.66
Wood and articles of wood			1.41
Machinery and equipment			0.45
Aerospace vehicles and parts			0.34
Motor vehicles and parts			0.33

Michigan			
Export Value ($b)	Growth 1990-2004	% of Total to: U.S.	World
64.8	5.1%/yr	18.6%	15.7%
Major Products ($b):			
Motor vehicles and parts			46.68
Machinery and equipment			4.25
Fossil fuels, energy and related			2.45
Wood and articles of wood			1.21
Furniture, furnishings, etc.			0.94

New York			
Export Value ($b)	Growth 1990-2004	% of Total to: U.S.	World
28.5	7.0%/yr	8.2%	6.9%
Major Products ($b):			
Fossil fuels, energy and related			8.32
Precious metals/stones, coins, etc.			2.12
Machinery and equipment			1.91
Electrical goods/electronics			1.69
Aluminum and articles thereof			1.47

California			
Export Value ($b)	Growth 1990-2004	% of Total to: U.S.	World
27.1	12.8%/yr	7.8%	6.6%
Major Products ($b):			
Motor vehicles and parts			14.00
Machinery and equipment			1.49
Wood and articles of wood			1.44
Electrical goods/electronics			1.30
Paper and paper products			0.91



Illinois			
Export Value ($b)	Growth 1990-2004	% of Total to: U.S.	World
24.4	11.1%/yr	7.0%	5.9%
Major Products ($b):			
Fossil fuels, energy and related			11.29
Motor vehicles and parts			2.41
Machinery and equipment			1.30
Paper and paper products			1.23
Wood and articles of wood			0.87

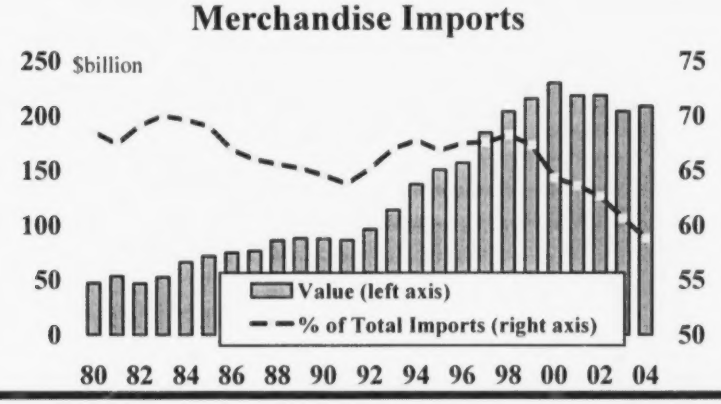
Ohio			
Export Value ($b)	Growth 1990-2004	% of Total to: U.S.	World
18.1	10.0%/yr	5.2%	4.4%
Major Products ($b):			
Fossil fuels, energy and related			3.09
Motor vehicles and parts			2.30
Machinery and equipment			1.99
Plastics and articles thereof			1.03
Iron and steel			0.96

Pennsylvania			
Export Value ($b)	Growth 1990-2004	% of Total to: U.S.	World
13.5	8.1%/yr	3.9%	3.3%
Major Products ($b):			
Fossil fuels, energy and related			1.89
Plastics and articles thereof			1.40
Paper and paper products			1.21
Wood and articles of wood			0.83
Machinery and equipment			0.64

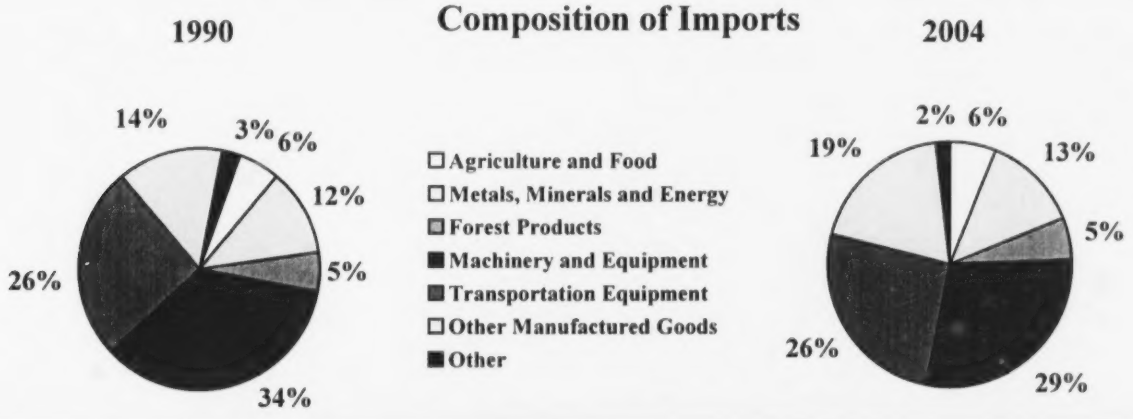
Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

UNITED STATES

C. Merchandise Imports



- Canada imported $209 billion in goods from the U.S. in 2004, a slight increase over 2003 levels, but still below the 2000 peak.
- The U.S. is declining in importance as a source of imports into Canada. Strong import growth from China and Mexico, among others, is responsible.



Major Import Products

	Value ($billion)		Growth: 1990-2004	
	1990	2004	$billions	%/yr.
Motor vehicles, parts and related	20.2	49.2	29.0	6.6
Machinery and equipment	17.2	35.8	18.6	5.4
Electrical/electronic machinery and equipment	9.7	16.1	6.4	3.7
Plastics and articles thereof	2.9	10.5	7.5	9.5
Fossil fuels, energy and related	2.5	7.3	4.8	8.1
Optical, scientific and technical instruments	2.9	6.8	3.9	6.2
Paper and paper products	1.5	5.1	3.6	9.0
Articles of iron or steel	1.7	4.5	2.8	7.1
Iron and steel	1.2	4.3	3.1	9.4
Organic chemcials	1.3	3.8	2.5	8.0
Pharmaceutical products	0.4	3.7	3.2	16.5
Rubber and articles thereof	1.3	3.6	2.2	7.4
Aluminum and articles thereof	1.3	3.2	1.8	6.4

Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

UNITED STATES

C. Merchandise Imports (cont'd)

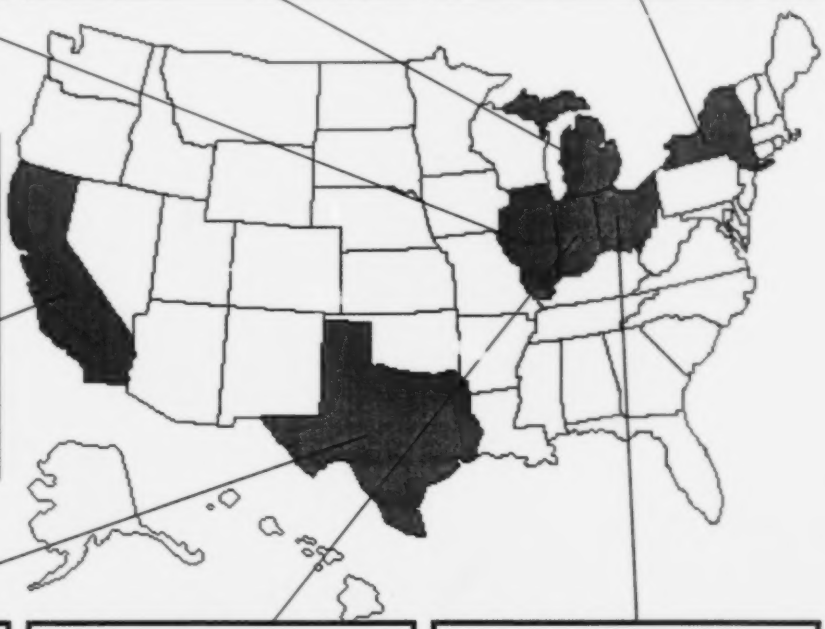
Major Import Sources in the United States

Illinois			
Import Value ($b)	Growth 1990-2004	% of Total: U.S.	% of Total: World
12.4	5.6%/yr	5.9%	3.5%
Major Products ($b):			
Machinery and equipment			3.38
Motor vehicles and parts			1.45
Electrical goods/electronics			1.06
Fossil fuels, energy and related			0.83
Plastics and articles thereof			0.64

Michigan			
Import Value ($b)	Growth 1990-2004	% of Total: U.S.	% of Total: World
27.7	4.1%/yr	13.2%	7.8%
Major Products ($b):			
Motor vehicles and parts			14.10
Machinery and equipment			4.86
Fossil fuels, energy and related			1.41
Plastics and articles thereof			0.95
Iron and steel			0.66

New York			
Import Value ($b)	Growth 1990-2004	% of Total U.S.	% of Total World
13.4	5.1%/yr	6.4%	3.8%
Major Products ($b):			
Machinery and equipment			2.13
Electrical goods/electronics			1.12
Aluminum and articles thereof			0.94
Motor vehicles and parts			0.82
Precious metals/stones, coins, etc			0.68

California			
Import Value ($b)	Growth 1990-2004	% of Total: U.S.	% of Total: World
11.8	5.5%/yr	5.7%	3.3%
Major Products ($b):			
Machinery and equipment			2.28
Electrical goods/electronics			1.82
Motor vehicles and parts			0.97
Fruits and nuts			0.90
Specialized instruments			0.89



Texas			
Import Value ($b)	Growth 1990-2004	% of Total: U.S.	% of Total: World
11.6	9.1%/yr	5.5%	3.3%
Major Products ($b):			
Machinery and equipment			2.33
Plastics and articles thereof			1.60
Electrical goods/electronics			1.53
Fossil fuels, energy and related			1.13
Organic chemicals			1.04

Indiana			
Import Value ($b)	Growth 1990-2004	% of Total: U.S.	% of Total: World
10.5	9.9%/yr	5.0%	3.0%
Major Products ($b):			
Motor vehicles and parts			5.25
Machinery and equipment			1.46
Electrical goods/electronics			0.72
Iron and steel			0.40
Specialized instruments			0.35

Ohio			
Import Value ($b)	Growth 1990-2004	% of Total: U.S.	% of Total: World
20.1	6.7%/yr	9.6%	5.7%
Major Products ($b):			
Motor vehicles and parts			6.69
Machinery and equipment			4.86
Electrical goods/electronics			0.86
Plastics and articles thereof			0.84
Articles of iron or steel			0.60

Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

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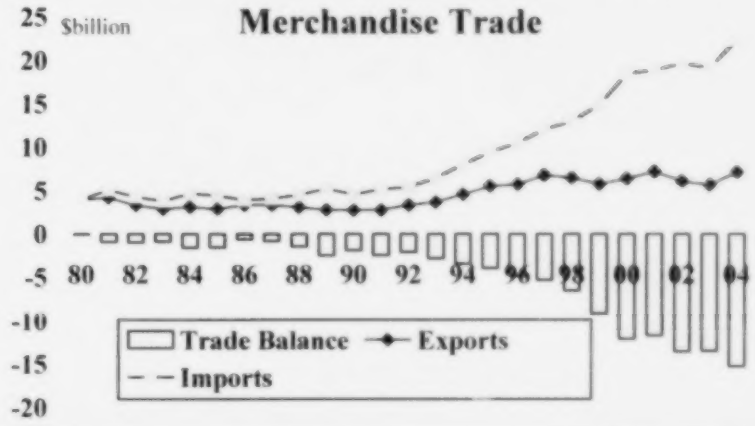
BIBLIOTHÈQUE DU PARLEMENT

LATIN AMERICA

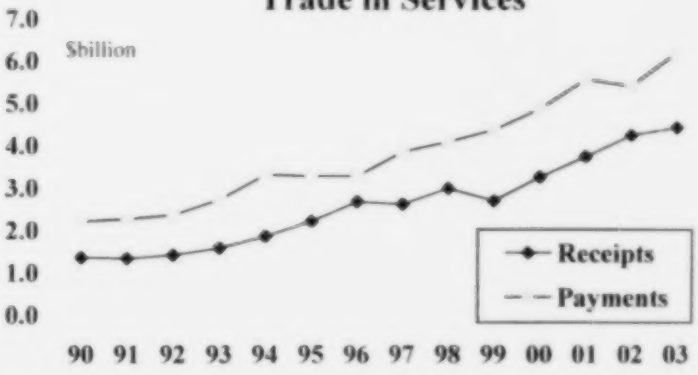
A. Total

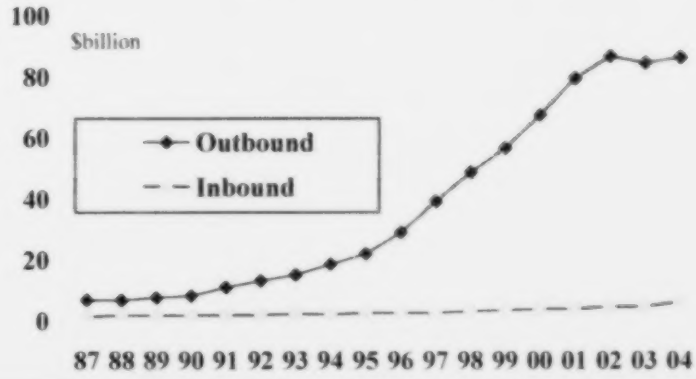
1. Trade and Investment Overview



- Two-way merchandise trade reached $29.5 billion in 2004, equivalent to 3.8% of Canada's total trade worldwide.
- Imports from the region exceed exports by a considerable margin, although this is in part because many Canadian exports are transhipped via the U.S.

- About 7.8% of Canada's total trade in services is conducted with Latin America.
- Over 70% of services trade with Latin America takes place with Caribbean countries.
- Canada is a net exporter of services – mostly commercial (financial) – to South America, and a net importer of services – mostly tourist – from Central America and the Caribbean.





- Latin America is a major destination for Canadian FDI. Outbound FDI totalled $86.3 billion in 2004.
- Much of this investment consists of Canadian business holdings in Barbados and elsewhere in the Caribbean.
- FDI from Latin America to Canada is low.

Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

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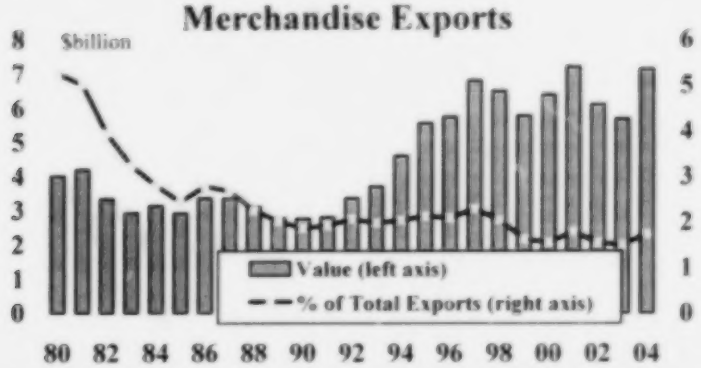
LATIN AMERICA

A. Total

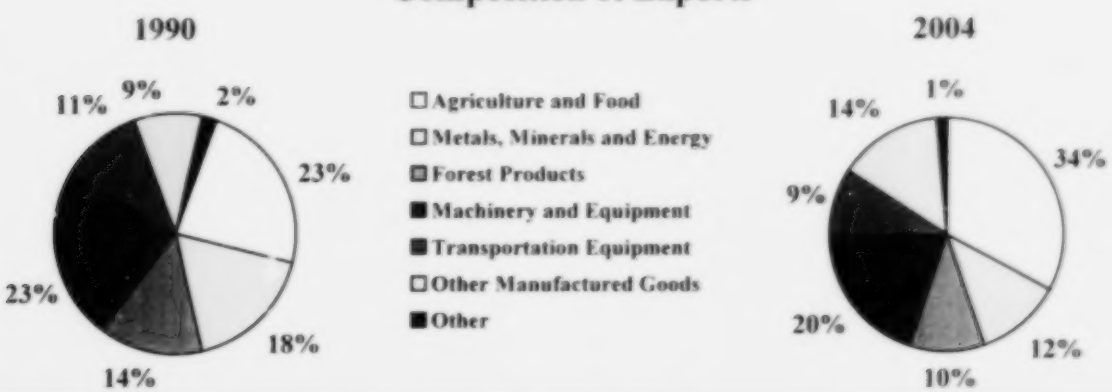
2. Merchandise Exports

Merchandise Exports



- Merchandise exports to Latin America rose sharply in 2004, reaching $7.1 billion. Only in 2001 were exports higher.
- Mexico and Brazil dominate, accounting for over half of total exports to the region.
- Export growth to the region was strong until the currency crisis in 1997-1998 plunged several countries into recession.

Composition of Exports



Major Export Products

	Value ($million)		Growth: 1990-2004	
	1990	2004	$million	%/yr.
Machinery and equipment	370.0	861.3	491.3	6.2
Cereals	301.5	791.1	489.6	7.1
Paper and paper products	275.4	606.7	331.3	5.8
Motor vehicles, parts and related	205.0	488.0	283.0	6.4
Meat and edible meat offal	25.5	471.5	446.1	23.2
Oil seeds, fodder, medicinal plants, etc.	1.9	440.3	438.3	47.3
Electrical/electronic machinery and equipment	216.8	389.6	172.8	4.3
Fertilizers	86.8	321.4	234.6	9.8
Fossil fuels, energy and related	106.4	201.8	95.4	4.7
Vegetables, roots and tubers	82.1	198.8	116.8	6.5
Plastics and articles thereof	40.5	165.1	124.7	10.6
Aluminum and articles thereof	15.2	142.7	127.6	17.4
Rail transportation	6.1	126.8	120.7	24.2

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LATIN AMERICA

A. Total

2. Merchandise Exports (cont'd)

Major Export Destinations in Latin America

Mexico

Export Value ($m)	Growth 1990-2004	% of Total to: L.A.	% of Total to: World
2,975	11.4%/yr	41.7%	0.7%

Major Products ($m):	
Oil seeds, oleaginous fruits, etc.	430
Meat and edible offal	399
Motor vehicles and parts	338
Machinery and equipment	282
Cereals	186

Cuba

Export Value ($m)	Growth 1990-2004	% of Total to: L.A.	% of Total to: World
322	4.4%/yr	4.5%	0.1%

Major Products ($m):	
Machinery and equipment	92.1
Vegetables, roots and tubers	36.9
Lime, earths, stone, cement, etc.	24.2
Electrical goods/electronics	21.6
Paper and paper products	18.5

Colombia

Export Value ($m)	Growth 1990-2004	% of Total to: L.A.	% of Total to: World
395	4.5%/yr	5.5%	0.1%

Major Products ($m):	
Cereals	129
Paper and paper products	68.9
Vegetables, roots and tubers	40.1
Machinery and equipment	24.9
Copper and articles thereof	22.9

Venezuela

Export Value ($m)	Growth 1990-2004	% of Total to: L.A.	% of Total to: World
508	4.2%/yr	7.1%	0.1%

Major Products ($m):	
Cereals	166
Machinery and equipment	66.1
Motor vehicles and parts	62.8
Paper and paper products	62.7
Specialized instruments	26.7

Jamaica

Export Value ($m)	Growth 1990-2004	% of Total to: L.A.	% of Total to: World
168	3.0%/yr	2.4%	0.04%

Major Products ($m):	
Cereals	49.9
Machinery and equipment	12.9
Electrical goods/electronics	11.8
Meat and edible offal	9.3
Articles of iron or steel	8.7

Chile

Export Value ($m)	Growth 1990-2004	% of Total to: L.A.	% of Total to: World
358	4.2%/yr	5.0%	0.1%

Major Products ($m):	
Machinery and equipment	77.9
Cereals	42.4
Electrical goods/electronics	32.7
Fossil fuels, energy and related	32.4
Paper and paper products	24.1

Brazil

Export Value ($m)	Growth 1990-2004	% of Total to: L.A.	% of Total to: World
953	4.7%/yr	13.4%	0.2%

Major Products ($m):	
Fertilizers	241
Paper and paper products	156
Machinery and equipment	99.9
Fossil fuels, energy and related	90.4
Electrical goods/electronics	57.1

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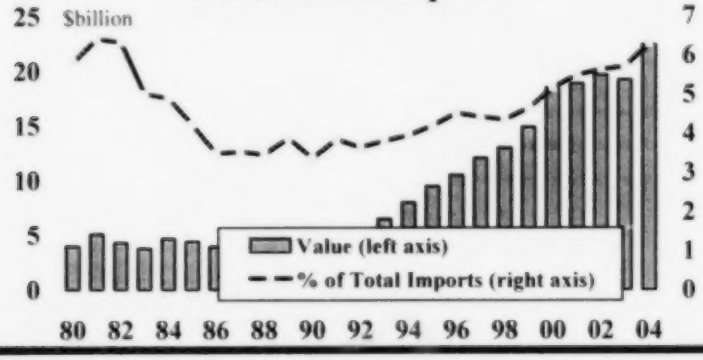
LATIN AMERICA

A. Total

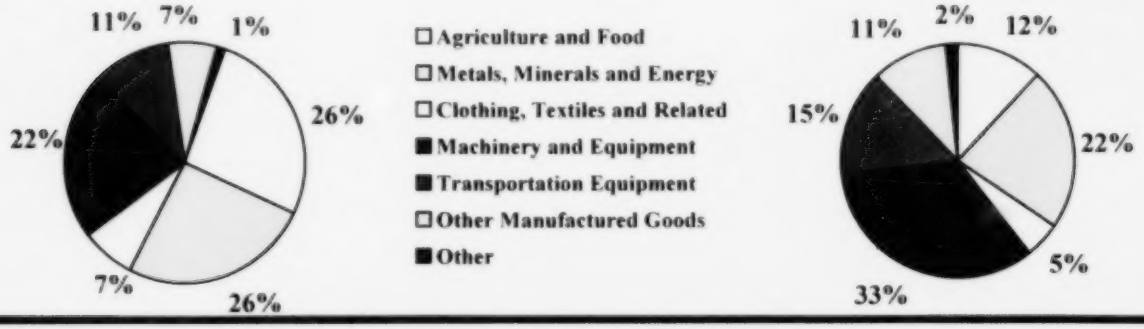
3. Merchandise Imports

Merchandise Imports



- Latin America is much more important as a source of goods imports than it is as a destination for exports.
- Imports totalled a record $22.4 billion in 2004 – 6.3% of Canada's total imports.
- Mexico alone makes up 60% of Canada's imports from the region.

Composition of Imports



Major Import Products

	Value ($million)		Growth: 1990-2004	
	1990	2004	$million	%/yr.
Electrical/electronic machinery and equipment	349.7	4,461.9	4,112.3	19.9
Motor vehicles, parts and related	460.3	3,210.8	2,750.5	14.9
Machinery and equipment	655.0	2,364.2	1,709.2	9.6
Fossil fuels, energy and related	660.5	1,798.2	1,137.7	7.4
Fruits and nuts	369.0	819.6	450.6	5.9
Furniture, furnishings, prefab. buildings	12.0	802.3	790.3	35.0
Copper and articles thereof	30.3	682.2	651.8	24.9
Ores, slag and ash	188.3	674.6	486.3	9.5
Iron and steel	100.8	626.7	525.8	13.9
Precious metals/stones, coins, jewellery, etc.	73.6	610.3	536.7	16.3
Optical, scientific and technical instruments	12.7	593.4	580.6	31.6
Inorganic chemicals, radioactive compounds	141.6	520.8	379.2	9.7
Vegetables, roots and tubers	90.8	308.8	218.0	9.1

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BIBLIOTHEQUE DU PARLEMENT

A. Total

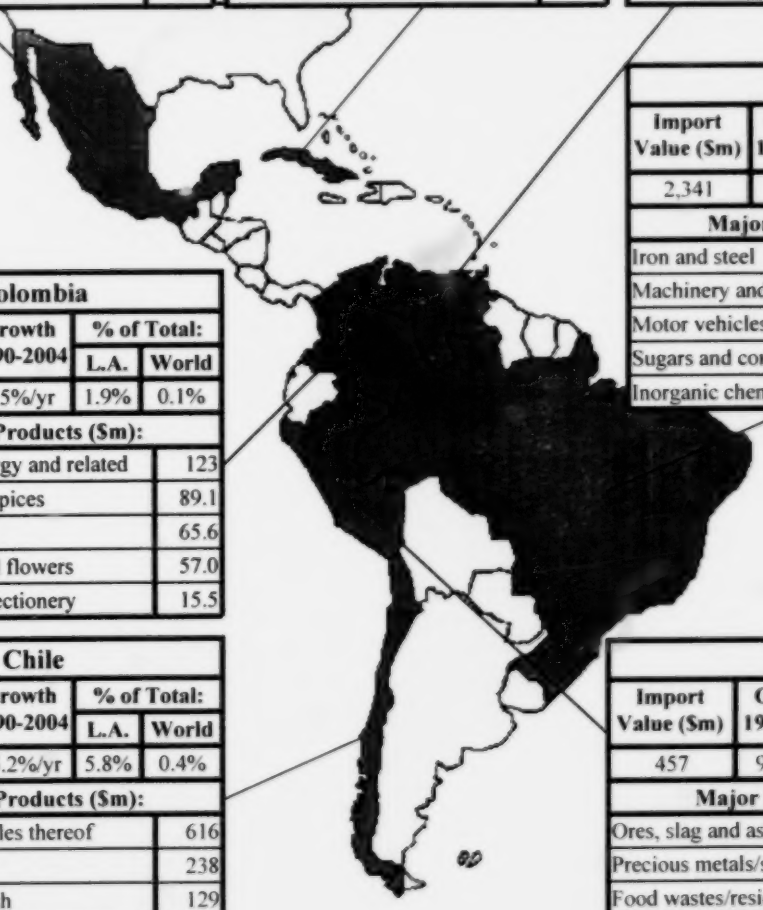
3. Merchandise Imports (cont'd)

Major Import Sources in Latin America

Mexico			
Import Value ($m)	Growth 1990-2004	% of Total: L.A.	% of Total: World
13,404	15.7%/yr	59.9%	3.8%
Major Products ($m):			
Electrical goods/electronics	4,202		
Motor vehicles and parts	2,992		
Machinery and equipment	2,093		
Furniture, furnishings, etc.	761		
Specialized instruments	555		

Cuba			
Import Value ($m)	Growth 1990-2004	% of Total: L.A.	% of Total: World
590	11.4%/yr	2.6%	0.2%
Major Products ($m):			
Ores, slag and ash	256		
Fish and seafood	8.1		
Tobacco and substitutes	5.0		
Copper and articles thereof	1.9		
Aluminum and articles thereof	1.1		

Venezuela			
Import Value ($m)	Growth 1990-2004	% of Total: L.A.	% of Total: World
1,311	6.0%/yr	5.9%	0.4%
Major Products ($m):			
Fossil fuels, energy and related	1,111		
Iron and steel	68.3		
Inorganic chemicals	36.3		
Ores, slag and ash	30.6		
Fertilizers	23.7		



Brazil			
Import Value ($m)	Growth 1990-2004	% of Total: L.A.	% of Total: World
2,341	8.0%/yr	10.5%	0.7%
Major Products ($m):			
Iron and steel	401		
Machinery and equipment	231		
Motor vehicles and parts	188		
Sugars and confectionery	147		
Inorganic chemicals	130		

Colombia			
Import Value ($m)	Growth 1990-2004	% of Total: L.A.	% of Total: World
417	8.5%/yr	1.9%	0.1%
Major Products ($m):			
Fossil fuels, energy and related	123		
Coffee, tea and spices	89.1		
Fruits and nuts	65.6		
Trees, plants and flowers	57.0		
Sugars and confectionery	15.5		

Chile			
Import Value ($m)	Growth 1990-2004	% of Total: L.A.	% of Total: World
1,308	15.2%/yr	5.8%	0.4%
Major Products ($m):			
Copper and articles thereof	616		
Fruits and nuts	238		
Ores, slag and ash	129		
Wood and articles of wood	91.5		
Fish and seafood	67.0		

Peru			
Import Value ($m)	Growth 1990-2004	% of Total: L.A.	% of Total: World
457	9.5%/yr	2.0%	0.1%
Major Products ($m):			
Ores, slag and ash	146		
Precious metals/stones, coins, etc.	129		
Food wastes/residues, fodder	35.6		
Copper and articles thereof	23.7		
Vegetables, roots and tubers	21.8		

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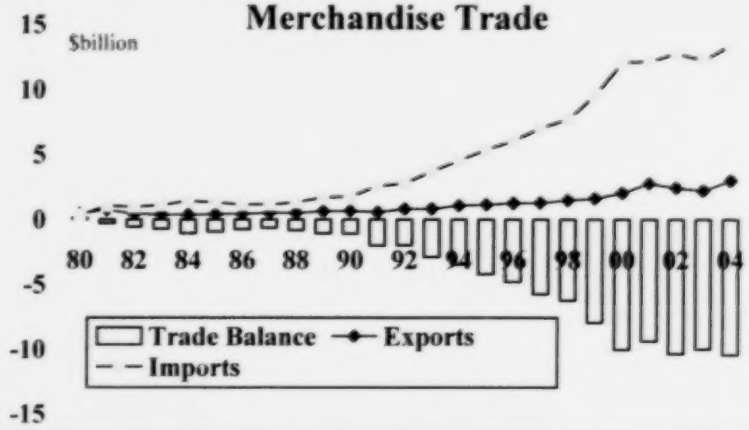
LATIN AMERICA

B. Mexico

1. Trade and Investment Overview

Merchandise Trade

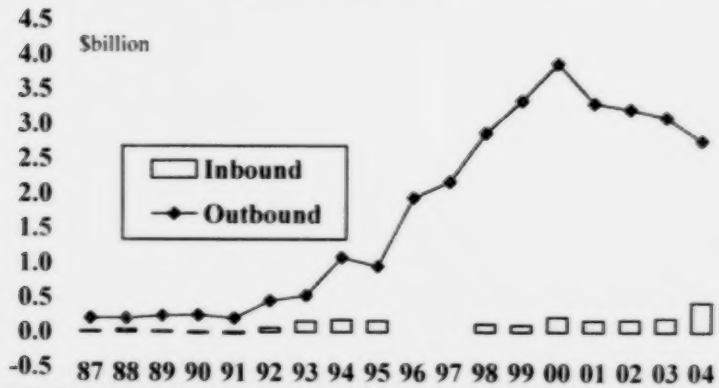


- Mexico is by far Canada's largest trading partner in Latin America. Two-way goods trade was valued at a record $16.4 billion in 2004.
- Canada has a substantial trade deficit with Mexico, although this is in part because many goods are transhipped via the U.S.

- Mexico accounts for about 11% of Canada's services receipts from Latin America, and 18% of payments.
- Services payments to Mexico exceed receipts by a considerable margin, mostly because Mexico is a major provider of tourist services to Canada.

Trade in Services

Foreign Direct Investment



- Canada's FDI stock in Mexico totalled $2.8 billion in 2004.
- FDI surged in the years immediately following the implementation of the North American Free Trade Agreement (NAFTA).
- Despite the increase in Canadian investment since 1990, Mexico still accounts for only 0.6% of Canada's outbound FDI worldwide.

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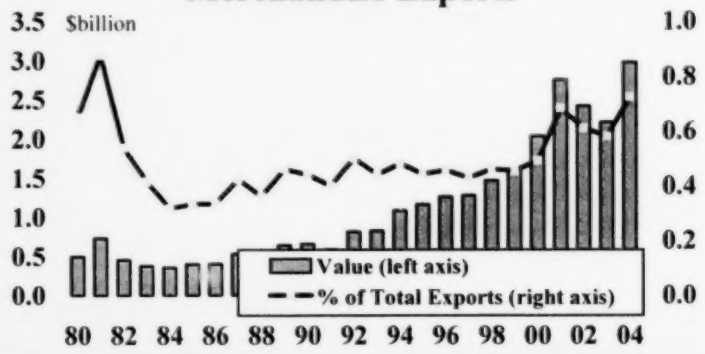
LATIN AMERICA

B. Mexico

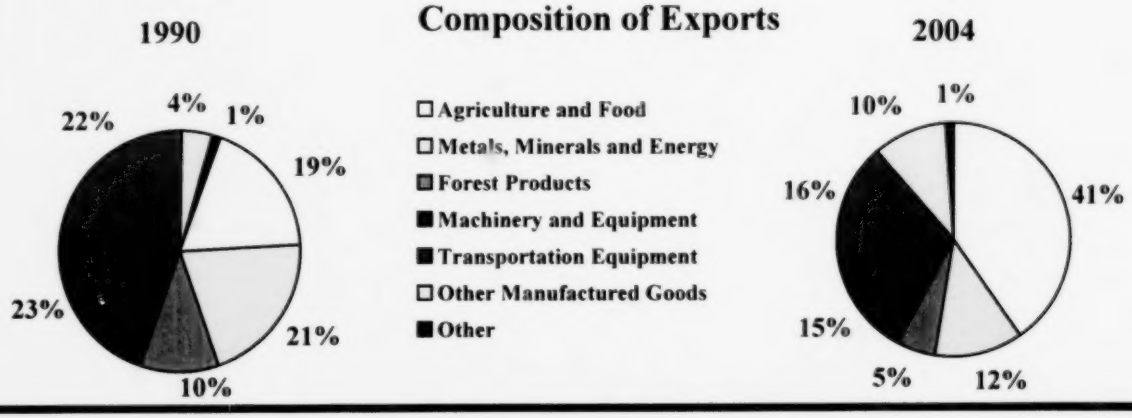
2. Merchandise Exports

Merchandise Exports



- Goods exports surged in 2004, reaching a record $3.0 billion. Mexico is one of the few countries where the proportion of Canadian exports was increasing.
- These numbers are likely understated. Mexican data suggest that Canada's exports may be three times higher than stated here.

Composition of Exports



Major Export Products

	Value ($million)		Growth: 1990-2004	
	1990	2004	$million	%/yr.
Oil seeds, fodder, medicinal plants, etc.	0.8	430.2	429.4	56.4
Meat and edible meat offal	14.8	398.9	384.0	26.5
Motor vehicles, parts and related	94.4	338.0	243.6	9.5
Machinery and equipment	73.5	281.5	208.0	10.1
Cereals	9.1	185.9	176.8	24.1
Electrical/electronic machinery and equipment	63.1	124.1	61.0	5.0
Aluminum and articles thereof	0.9	123.6	122.7	42.7
Rail transportation	0.2	123.3	123.1	60.7
Paper and paper products	36.6	88.4	51.8	6.5
Iron and steel	56.6	79.5	23.0	2.5
Plastics and articles thereof	5.7	68.8	63.1	19.5
Misc. chemical products	1.0	56.2	55.3	33.5
Wood pulp and scrap paper	27.7	55.4	27.7	5.1

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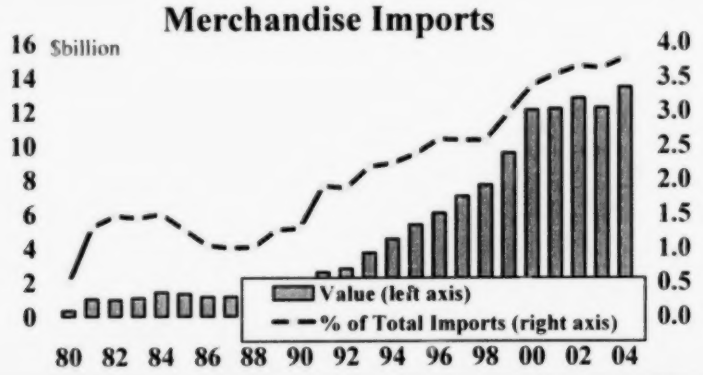
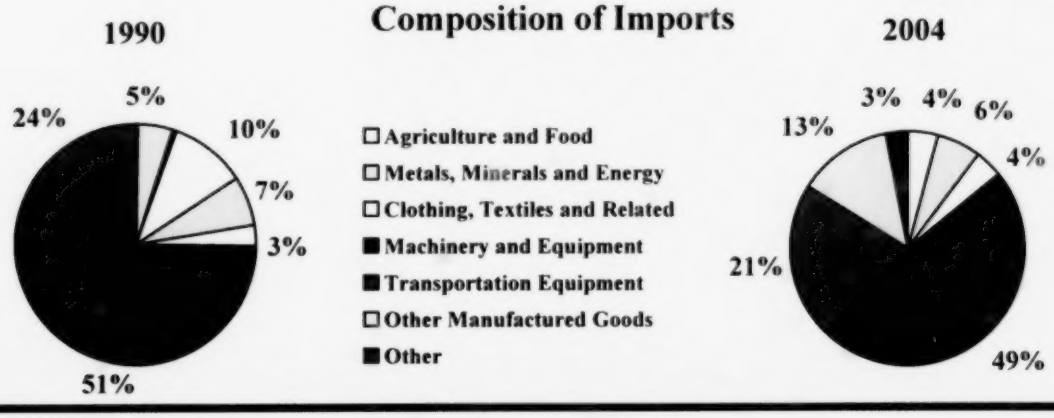
LATIN AMERICA

B. Mexico

3. Merchandise Imports



- Merchandise imports from Mexico have risen dramatically since NAFTA was implemented in 1994.
- Imports were valued at $13.4 billion in 2004.
- Mexico has passed Japan to become Canada's 3rd-largest source of imports worldwide.



Major Import Products

	Value ($million)		Growth: 1990-2004	
	1990	2004	$million	%/yr.
Electrical/electronic machinery and equipment	321.8	4,201.7	3,879.9	20.1
Motor vehicles, parts and related	413.5	2,991.8	2,578.3	15.2
Machinery and equipment	556.8	2,093.0	1,536.2	9.9
Furniture, furnishings, prefab. buildings	9.8	760.8	751.0	36.4
Optical, medical and scientific instruments	9.8	554.8	544.9	33.4
Fossil fuels, energy and related	56.8	362.7	305.9	14.2
Vegetables, roots and tubers	78.6	253.3	174.7	8.7
Clothing and apparel (woven)	8.3	221.2	212.9	26.4
Misc. articles of base metal	4.0	158.0	154.0	30.0
Articles of iron or steel	17.1	155.6	138.5	17.1
Fruits and nuts	46.8	144.1	97.2	8.4
Clothing and apparel (knitted)	0.9	126.7	125.8	42.8
Plastics and articles thereof	6.5	115.5	109.0	22.8

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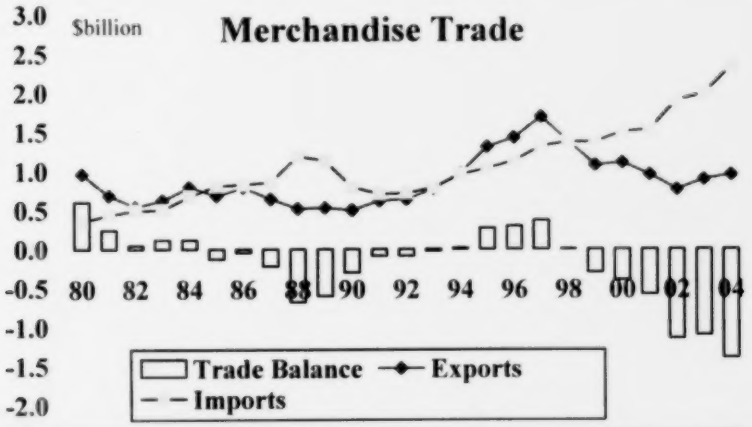
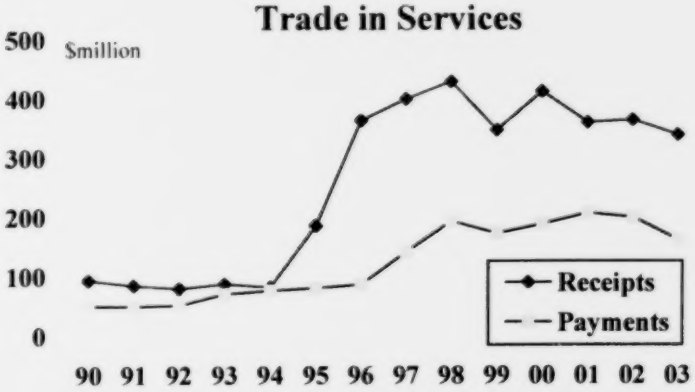
C. Brazil

1. Trade and Investment Overview



- Two-way goods trade with Brazil totalled $3.3 billion in 2004.
- Since early 1999, a declining Brazilian currency has increased the cost of Canadian exports and made Brazilian goods cheaper. As a result, exports have fallen, import growth has been strong and the trade balance has deteriorated.

- Services are a major component of exports to Brazil, equivalent to nearly 38% of merchandise exports.
- Canadian services exports to Brazil are concentrated in the commercial sector – financial institutions, for example.
- The growth in services payments to Brazil since 1996 is due largely to an increase in travel services.



- Outside the Caribbean islands, Brazil is Canada's largest destination for FDI in Latin America.
- The falling Brazilian currency and Canadian investments in the beer industry have contributed to the growth of FDI in Brazil, even as investment in Brazil from other countries has slowed.

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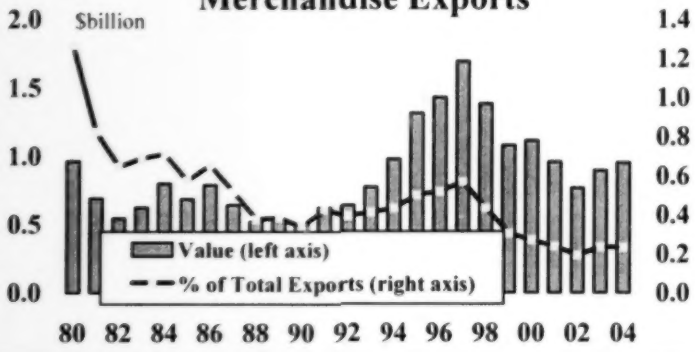
LATIN AMERICA

C. Brazil

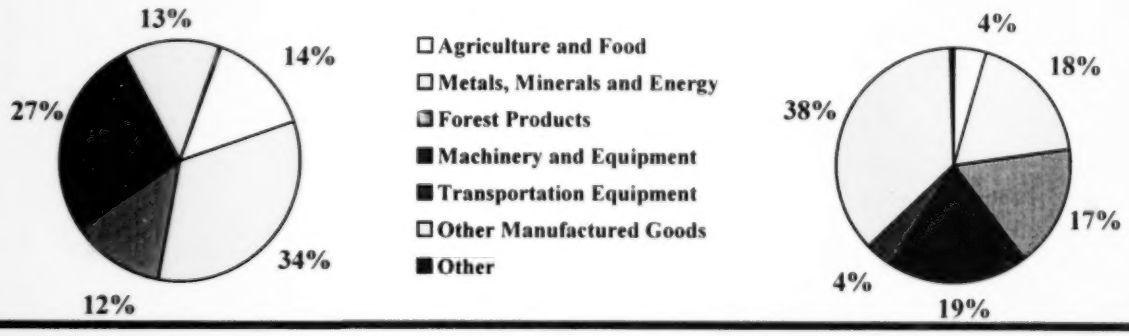
2. Merchandise Exports

Merchandise Exports



- Brazil is Canada's 17th-largest merchandise export destination worldwide, and the 2nd-largest in Latin America.
- Exports totalled $953 million in 2004.
- Exports were growing strongly until 1997, when the spillover from the Asian Crisis swept through Brazil.

Composition of Exports



Major Export Products

	Value ($million)		Growth: 1990-2004	
	1990	2004	$million	%/yr.
Fertilizers	43.8	240.6	196.8	12.9
Paper and paper products	44.4	155.8	111.4	9.4
Machinery and equipment	117.3	99.9	-17.4	-1.1
Fossil fuels, energy and related	68.7	90.4	21.7	2.0
Electrical/electronic machinery and equipment	6.1	57.1	51.0	17.3
Sulphur, earths, lime, cement, etc.	41.8	52.0	10.2	1.6
Inorganic chemicals, radioactive compounds	4.4	23.9	19.5	12.9
Optical, medical and scientific instruments	8.0	23.0	15.0	7.9
Motor vehicles, parts and related	0.2	22.8	22.6	38.5
Rubber and articles thereof	9.9	19.7	9.8	5.0
Cereals	58.9	16.8	-42.1	-8.6
Plastics and articles thereof	0.6	15.5	14.9	26.2
Pharmaceutical products	0.6	15.1	14.5	26.6

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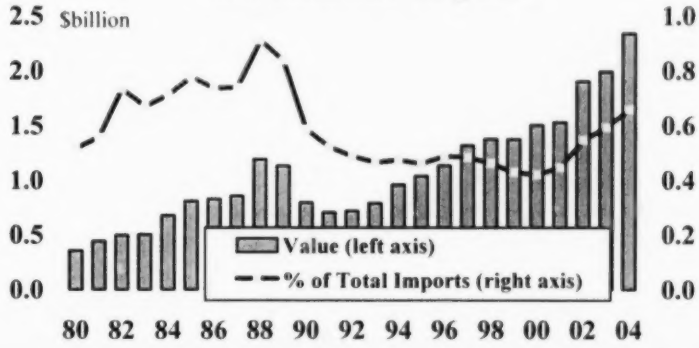
LATIN AMERICA

C. Brazil

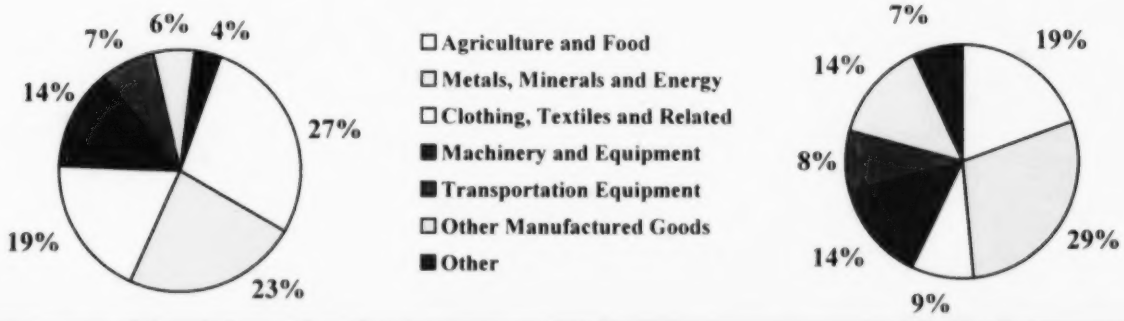
3. Merchandise Imports

Merchandise Imports



- Merchandise imports from Brazil reached a record $2.3 billion in 2004. Brazil is Canada's 2nd-largest source of imports in Latin America.
- Import growth has been strong since the early 1990s. The decline in the value of the Brazilian réal has made imports into Canada very competitive.

Composition of Imports



Major Import Products

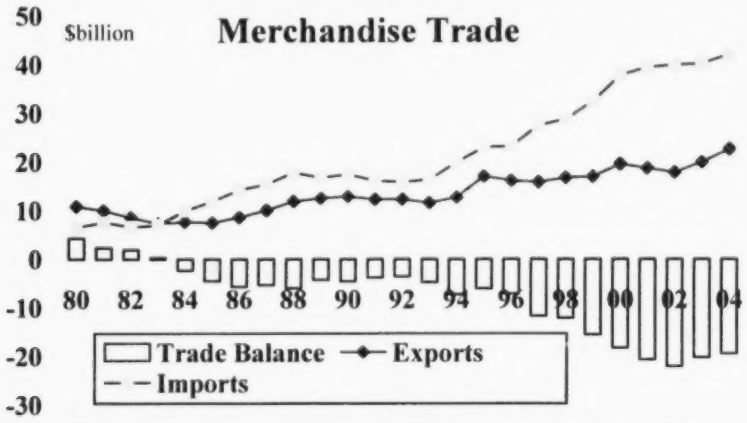
	Value ($million)		Growth: 1990-2004	
	1990	2004	$million	%/yr.
Iron and steel	65.6	401.2	335.6	13.8
Machinery and equipment	84.8	230.8	146.0	7.4
Motor vehicles, parts and related	39.3	187.9	148.6	11.8
Sugars and confectionery	2.2	146.6	144.4	35.0
Inorganic chemicals, radioactive compounds	2.8	129.9	127.2	31.7
Wood and articles of wood	10.6	109.9	99.3	18.2
Footwear	69.1	96.2	27.1	2.4
Precious metals/stones, coins, jewellery, etc.	1.3	93.2	91.8	35.4
Electrical/electronic machinery and equipment	21.5	85.9	64.3	10.4
Fruit and vegetable products	118.0	71.6	-46.5	-3.5
Coffee, tea and spices	37.0	63.8	26.8	4.0
Ores, slag and ash	77.6	62.2	-15.4	-1.6
Raw hides, skins and leather	7.4	48.9	41.5	14.5

Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

EUROPEAN UNION

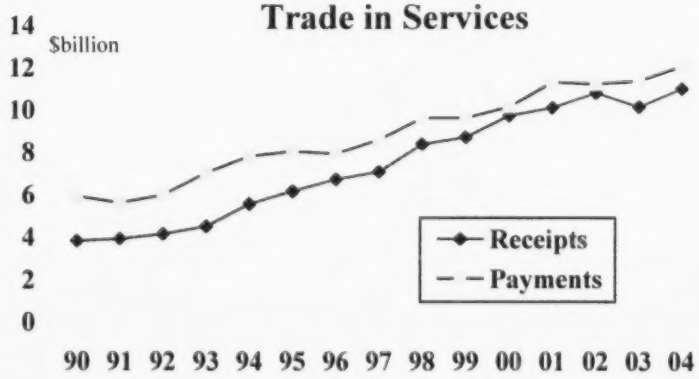
A. Total

1. Trade and Investment Overview

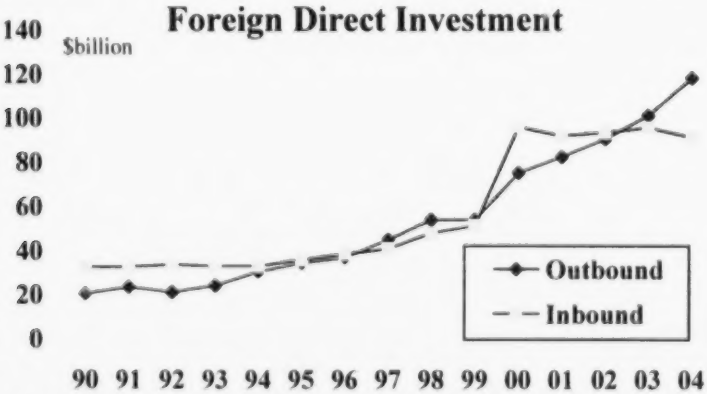


- Canada and the European Union (EU) traded goods valued at $64.6 billion in 2004.
- The EU accounted for 8.4% of Canada's total global trade in 2004, its highest share since 1992.
- The addition of new EU members in 2004 had a negligible effect on Canada-EU trade figures.

- The EU is Canada's 2nd-largest trading partner in services, behind the U.S.
- The EU accounts for about 18% of Canada's services receipts and 16% of services payments.
- Canada sells more commercial services to the EU than it buys, but fewer travel, and government and transportation services.



Note: Includes government services beginning in 1996.



- Canadian companies tend to invest in the EU rather than trade with the EU. Outbound FDI reached $118 billion in 2004, compared to only $19.9 billion in exports.
- The growth in FDI in 2004 is due to the addition of new EU members, notably Hungary.

Note: Merchandise trade data include new EU members in 2004. However, data are unavailable prior to 1993 for Latvia, Lithuania and Estonia; prior to 1994 for the Czech Republic and Slovakia; and prior to 1995 for Slovenia. Services trade and FDI data do not include new EU members.

Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

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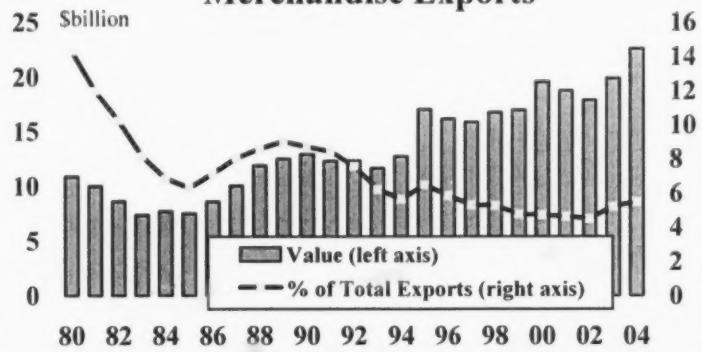
EUROPEAN UNION

A. Total

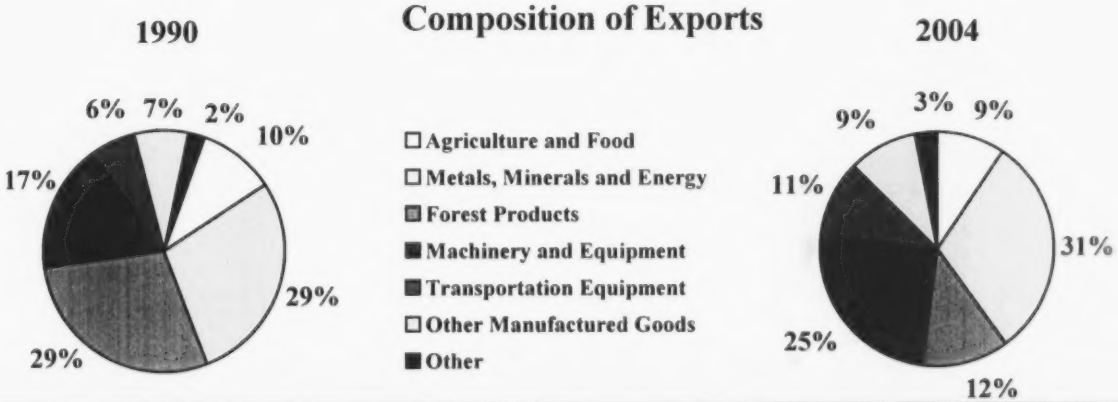
2. Merchandise Exports

Merchandise Exports



- Goods exports to the EU have grown over the years, but less rapidly than exports elsewhere.
- Accordingly, the EU has declined in importance as an export destination over the years. The decline has levelled off since the mid-1990s, however.

Composition of Exports



Major Export Products

	Value ($million)		Growth: 1990-2004	
	1990	2004	$million	%/yr.
Precious metals/stones, coins, jewellery	405.6	3,540.3	3,134.7	16.7
Machinery and equipment	1,425.5	2,691.4	1,265.9	4.6
Electrical/electronic machinery and equipment	441.3	2,028.7	1,587.4	11.5
Aerospace vehicles and parts	523.1	1,443.8	920.8	7.5
Wood pulp and scrap paper	1,747.6	1,396.4	-351.2	-1.6
Nickel and articles thereof	261.1	1,087.1	826.0	10.7
Fossil fuels, energy and related	254.3	866.0	611.7	9.1
Optical, scientific and technical instruments	258.8	714.2	455.4	7.5
Ores, slag and ash	1,243.4	699.3	-544.1	-4.0
Motor vehicles, parts and related	203.0	639.3	436.4	8.5
Paper and paper products	609.3	624.0	14.8	0.2
Cereals	203.0	592.2	389.2	7.9
Inorganic chemicals, radioactive compounds	139.4	537.1	397.7	10.1

Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

EUROPEAN UNION

A. Total

2. Merchandise Exports (cont'd)

Major Export Destinations in the European Union

France			
Export Value ($b)	Growth 1990-2004	% of Total to: EU	World
2.4	4.4%/yr	10.4%	0.6%

Major Products ($m):	
Machinery and equipment	347
Electrical goods/electronics	286
Aerospace vehicles and parts	234
Inorganic chemicals	182
Wood pulp and scrap paper	158

Belgium			
Export Value ($b)	Growth 1990-2004	% of Total to: EU	World
2.2	4.2%/yr	9.7%	0.5%

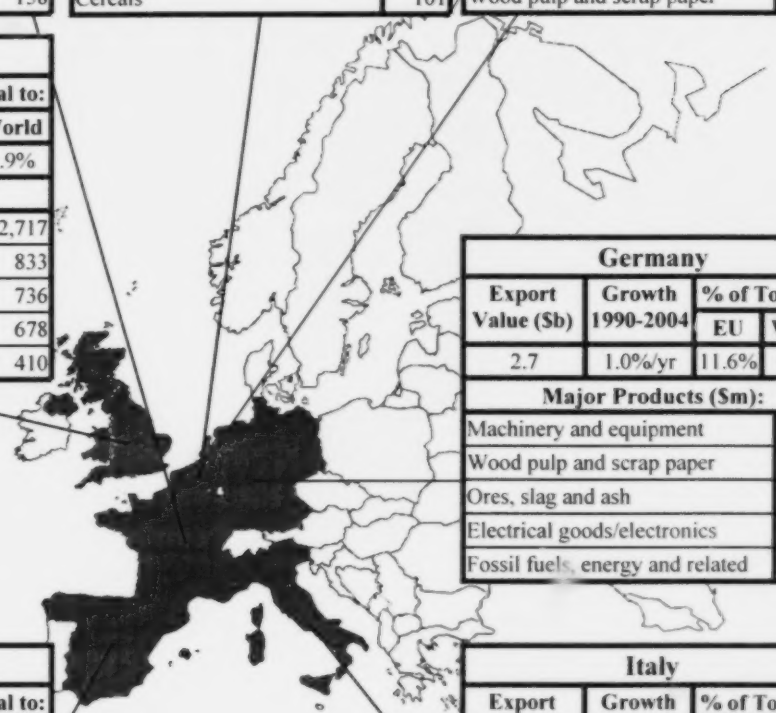
Major Products ($m):	
Precious metals/stones, coins, etc	807
Oil seeds, oleaginous fruits, etc.	181
Nickel and articles thereof	177
Machinery and equipment	136
Cereals	101

The Netherlands			
Export Value ($b)	Growth 1990-2004	% of Total to: EU	World
2.0	1.4%/yr	8.8%	0.5%

Major Products ($m):	
Machinery and equipment	215
Ships, boats, floating structures	206
Art, antiques, collector's items	195
Specialized instruments	146
Wood pulp and scrap paper	130

United Kingdom			
Export Value ($b)	Growth 1990-2004	% of Total to: EU	World
7.7	5.8%/yr	33.8%	1.9%

Major Products ($m):	
Precious metals/stones, coins, etc	2,717
Electrical goods/electronics	833
Machinery and equipment	736
Nickel and articles thereof	678
Aerospace vehicles and parts	410



Germany			
Export Value ($b)	Growth 1990-2004	% of Total to: EU	World
2.7	1.0%/yr	11.6%	0.6%

Major Products ($m):	
Machinery and equipment	477
Wood pulp and scrap paper	306
Ores, slag and ash	242
Electrical goods/electronics	178
Fossil fuels, energy and related	147

Spain			
Export Value ($b)	Growth 1990-2004	% of Total to: EU	World
1.2	8.5%/yr	5.3%	0.3%

Major Products ($m):	
Fossil fuels, energy and related	227
Aerospace vehicles and parts	216
Vegetables, roots, tubers	106
Machinery and equipment	89.2
Cereals	70.5

Italy			
Export Value ($b)	Growth 1990-2004	% of Total to: EU	World
1.7	2.8%/yr	7.6%	0.4%

Major Products ($m):	
Wood pulp and scrap paper	426
Cereals	240
Machinery and equipment	202
Aerospace vehicles and parts	141
Electrical goods/electronics	107

Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

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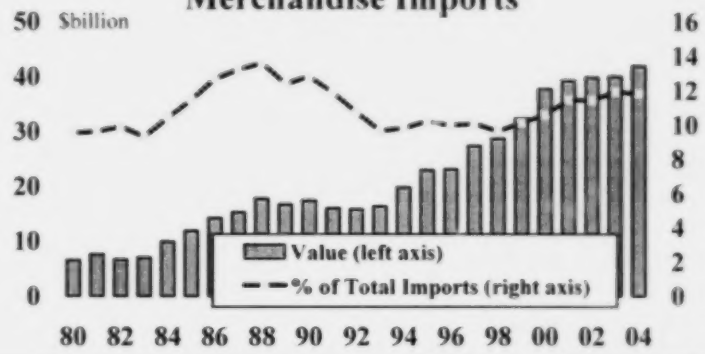
EUROPEAN UNION

A. Total

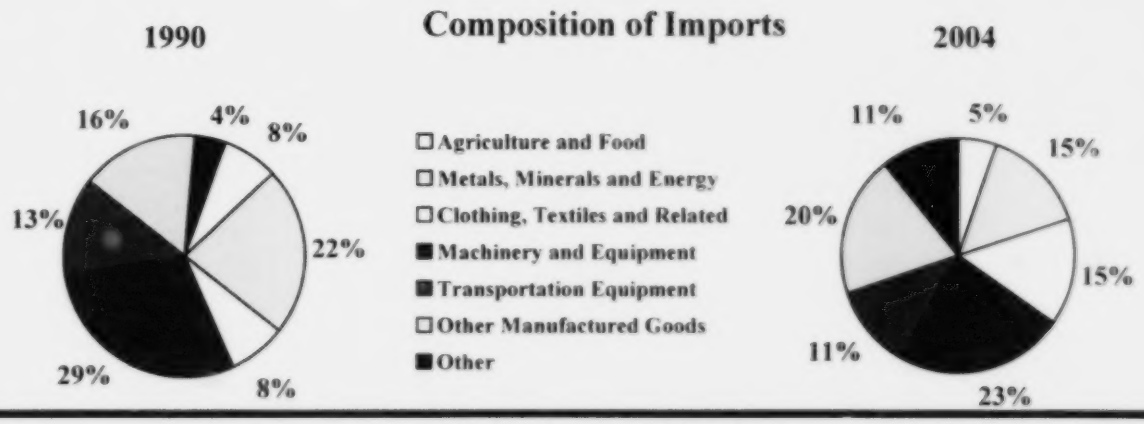
3. Merchandise Imports

Merchandise Imports



- Unlike merchandise exports, the EU continues to be a significant source of imports. Imports reached a record $42.0 billion in 2004.
- The share of Canada's total imports coming from the EU has been rising. However, more imports come from the U.S. and Asia-Pacific.

Composition of Imports



Major Import Products

	Value ($million)		Growth: 1990-2004	
	1990	2004	$million	%/yr.
Machinery and equipment	3,214.4	7,531.8	4,317.5	6.3
Fossil fuels, energy and related	2,335.8	4,364.5	2,028.7	4.6
Pharmaceutical products	286.9	4,189.2	3,902.3	21.1
Motor vehicles, parts and related	1,494.2	3,989.0	2,494.9	7.3
Electrical electronic machinery and equipment	1,075.1	2,739.7	1,663.2	6.9
Aerospace vehicles and parts	668.5	1,827.4	1,159.0	7.4
Optical, scientific and technical instruments	616.1	1,811.1	1,195.0	8.0
Organic chemicals	457.5	1,543.8	1,086.2	9.1
Beverages, spirits and vinegar	498.4	1,266.1	767.7	6.9
Iron and steel	472.2	1,129.3	657.1	6.4
Plastics and articles thereof	332.1	747.3	415.2	6.0
Articles of iron or steel	321.1	666.8	345.7	5.4
Paper and paper products	290.6	611.1	320.5	5.5

Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

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EUROPEAN UNION

A. Total

3. Merchandise Imports (cont'd)

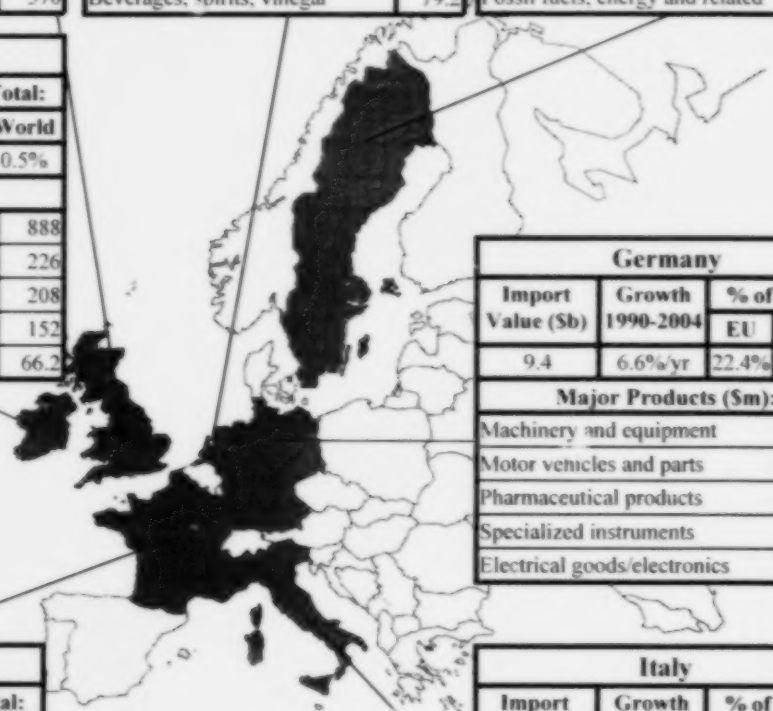
Major Import Sources in the European Union

United Kingdom			
Import Value ($b)	Growth 1990-2004	% of Total: EU	% of Total: World
9.6	5.0%/yr	23.0%	2.7%
Major Products ($m):			
Fossil fuels, energy and related	2,924		
Machinery and equipment	1,443		
Aerospace vehicles and parts	916		
Pharmaceutical products	784		
Electrical goods/electronics	570		

The Netherlands			
Import Value ($b)	Growth 1990-2004	% of Total: EU	% of Total: World
1.5	5.6%/yr	3.7%	0.4%
Major Products ($m):			
Machinery and equipment	238		
Pharmaceutical products	163		
Fossil fuels, energy and related	142		
Organic chemicals	96.0		
Beverages, spirits, vinegar	79.2		

Sweden			
Import Value ($b)	Growth 1990-2004	% of Total: EU	% of Total: World
2.2	6.5%/yr	5.1%	0.6%
Major Products ($m):			
Machinery and equipment	540		
Pharmaceutical products	496		
Motor vehicles and parts	287		
Electrical goods/electronics	212		
Fossil fuels, energy and related	125		

Ireland			
Import Value ($b)	Growth 1990-2004	% of Total: EU	% of Total: World
1.7	14.6%/yr	4.1%	0.5%
Major Products ($m):			
Pharmaceutical products	888		
Organic chemicals	226		
Machinery and equipment	208		
Specialized instruments	152		
Electrical goods/electronics	66.2		



Germany			
Import Value ($b)	Growth 1990-2004	% of Total: EU	% of Total: World
9.4	6.6%/yr	22.4%	2.7%
Major Products ($m):			
Machinery and equipment	2,265		
Motor vehicles and parts	2, 235		
Pharmaceutical products	693		
Specialized instruments	626		
Electrical goods/electronics	624		

France			
Import Value ($b)	Growth 1990-2004	% of Total: EU	% of Total: World
5.3	5.7%/yr	12.7%	1.5%
Major Products ($m):			
Aerospace vehicles and parts	683		
Machinery and equipment	663		
Pharmaceutical products	559		
Electrical goods/electronics	541		
Beverages, spirits, vinegar	450		

Italy			
Import Value ($b)	Growth 1990-2004	% of Total: EU	% of Total: World
4.6	6.3%/yr	10.9%	1.3%
Major Products ($m):			
Machinery and equipment	1,093		
Beverages, spirits, vinegar	267		
Organic chemicals	227		
Motor vehicles and parts	208		
Pharmaceutical products	181		

Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

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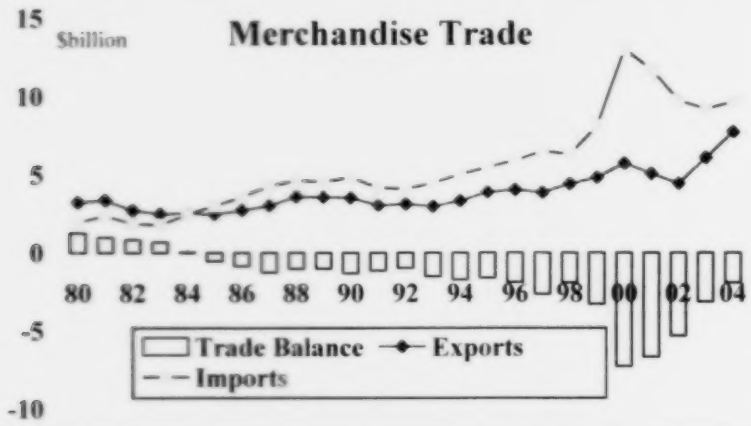
EUROPEAN UNION

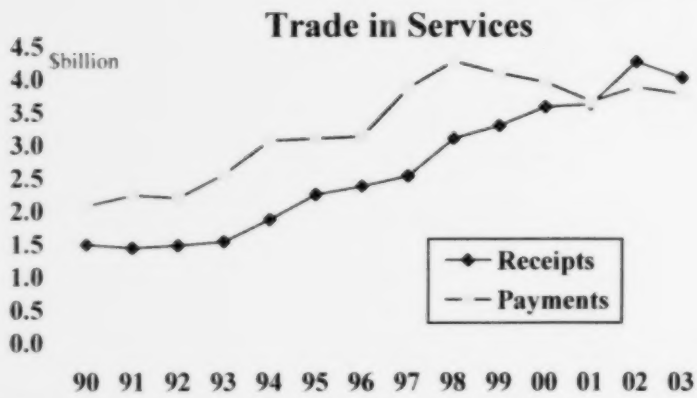
B. United Kingdom

1. Trade and Investment Overview



- The United Kingdom (U.K.) is Canada's largest trading partner in the EU. Two-way goods trade was valued at $17.4 billion in 2004.
- The U.K. accounts for about 2.3% of Canada's total trade worldwide. This share is virtually unchanged since the early to mid-1990s.

- The U.K. is Canada's largest trading partner in services in the EU, and 2nd-largest in the world. The U.K. accounts for 6.8% of Canada's services receipts and 5.3% of payments.
- Trade in commercial and travel services is about in balance. Canada's trade surplus largely comes in transportation and government services.



- The U.K. is Canada's 2nd-largest destination for FDI in the world. The $44.0 billion in outbound FDI in 2004 accounted for 9.9% of Canada's total investment worldwide.
- Although the U.K. is the 2nd-largest source of FDI into Canada, the dollar figure of U.K. investments is more modest – $29.5 billion in 2004.

Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

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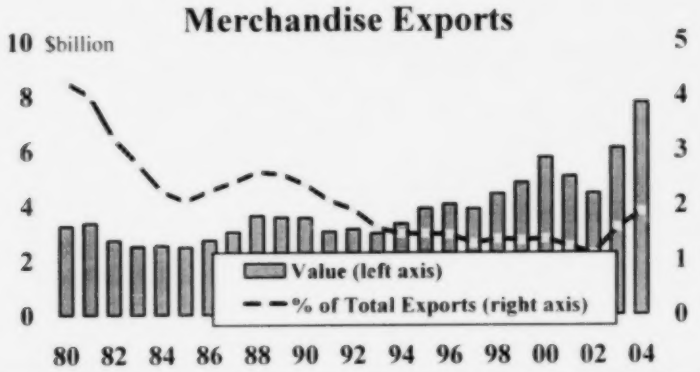
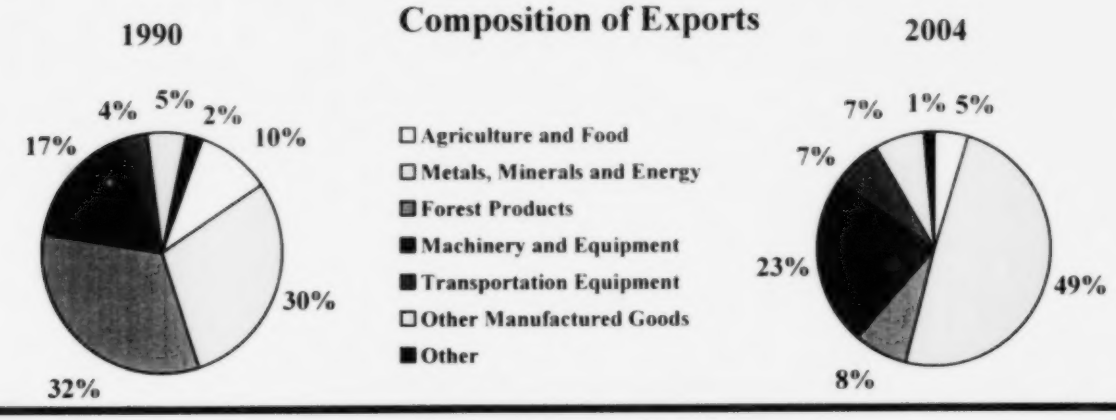
EUROPEAN UNION

B. United Kingdom

2. Merchandise Exports



- The U.K. is Canada's 3rd-largest destination for merchandise exports, behind the U.S. and Japan.
- Exports have increased dramatically since 2002, reaching $7.7 billion in 2004. An increase in sales of gold and diamonds was responsible for the growth.



Major Export Products

	Value ($million)		Growth: 1990-2004	
	1990	2004	$million	%/yr.
Precious stones/metals, coins, jewellery, etc.	182.2	2,717.5	2,535.3	21.3
Electrical/electronic machinery and equipment	149.5	833.4	683.8	13.1
Machinery and equipment	373.5	736.3	362.8	5.0
Nickel and articles thereof	232.5	677.6	445.2	7.9
Aerospace vehicles and parts	95.2	410.0	314.8	11.0
Paper and paper products	280.8	207.4	-73.4	-2.1
Inorganic chemicals, radioactive compounds	41.5	202.3	160.9	12.0
Wood pulp and scrap paper	236.1	197.2	-38.9	-1.3
Optical, scientific and technical instruments	53.3	173.5	120.2	8.8
Fossil fuels, energy and related	49.9	127.2	77.3	6.9
Wood and articles of wood	600.4	123.1	-477.3	-10.7
Ores, slag and ash	242.1	90.8	-151.3	-6.8
Motor vehicles, parts and related	23.9	84.1	60.2	9.4

Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

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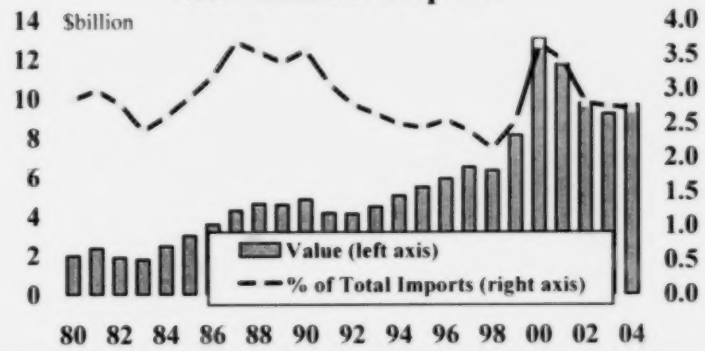
EUROPEAN UNION

B. United Kingdom

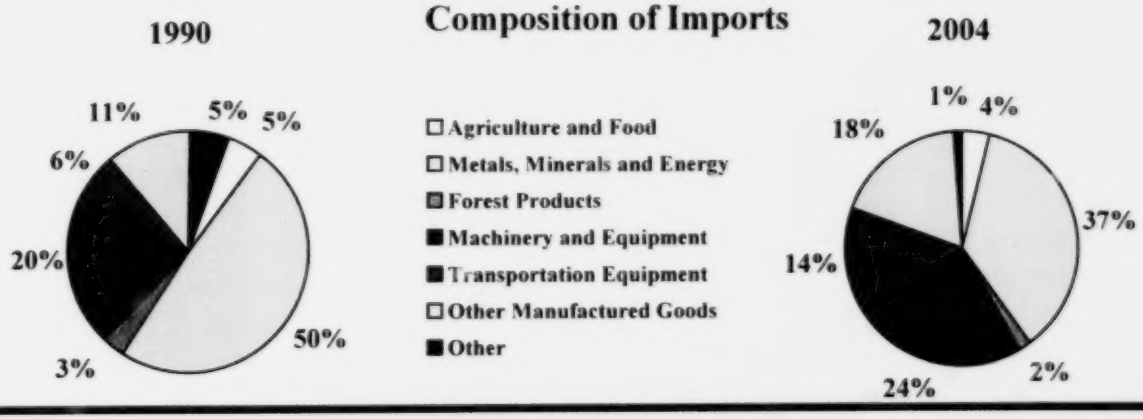
3. Merchandise Imports

Merchandise Imports



- The U.K. is Canada's largest source of goods imports in the EU, and 5th-largest worldwide. Imports totalled $9.7 billion in 2004.
- The surge in imports in 2000 was the result of a dramatic increase in the value of oil and gas imports.

Composition of Imports



Major Import Products

	Value ($million)		Growth: 1990-2004	
	1990	2004	$million	%/yr.
Fossil fuels, energy and related	2,062.0	2,923.8	861.8	2.5
Machinery and equipment	634.3	1,443.0	808.7	6.0
Aerospace vehicles and parts	152.8	915.5	762.7	13.6
Pharmaceutical products	105.5	784.4	678.9	15.4
Electrical/electronic machinery and equipment	223.5	569.8	346.3	6.9
Motor vehicles, parts and related	140.8	456.5	315.8	8.8
Optical, scientific and technical instruments	114.4	317.0	202.6	7.5
Organic chemicals	96.1	312.6	216.5	8.8
Misc. chemical products	40.8	175.6	134.8	11.0
Beverages, spirits and vinegar	72.7	155.6	82.9	5.6
Iron and steel	82.6	118.6	36.0	2.6
Books, newspapers, manuscripts, etc.	76.7	114.6	37.9	2.9
Plastics and articles thereof	72.6	110.6	38.0	3.0

Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

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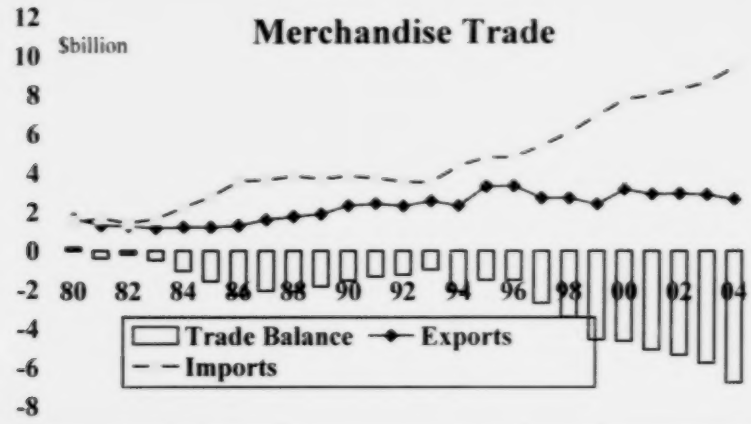
EUROPEAN UNION

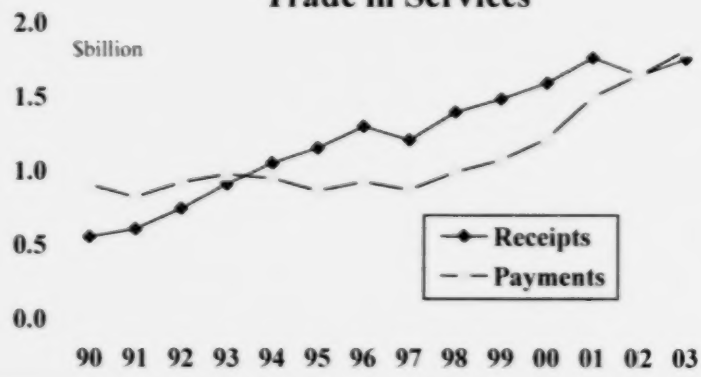
C. Germany

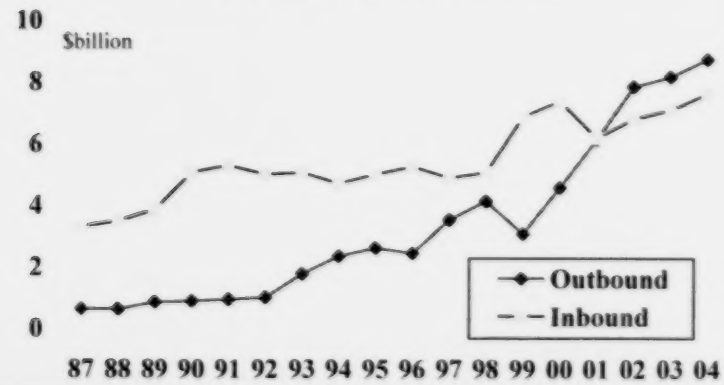
1. Trade and Investment Overview



- Germany is Canada's 2nd-largest trading partner in the EU, accounting for 18.7% of Canada's total trade with the region.
- On the strength of Canadian imports, two-way goods trade reached a record $12.1 billion in 2004.

- Germany is Canada's 2nd-largest trading partner in services in the EU.
- Canada is a popular destination for German travellers, although Canada's surplus in this area is declining.
- The recent increase in services payments is the result of Canadians buying more German commercial services.





- Canadian investment in Germany has soared in recent years, ending a long-standing net inflow of FDI from Germany.
- Canadian FDI in Germany reached $8.7 billion in 2004.
- German investment in Canada is growing, but declining in importance compared to overall FDI growth in Canada.

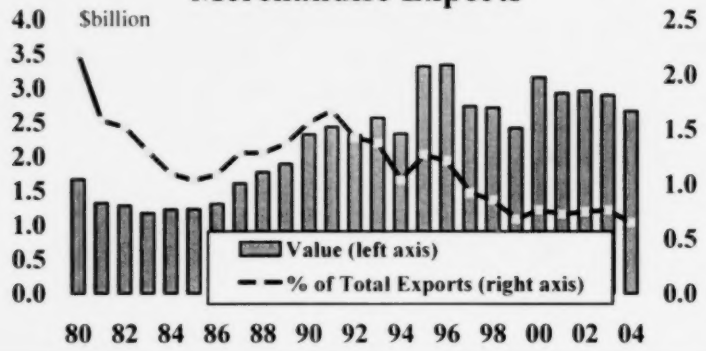
Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

EUROPEAN UNION

C. Germany

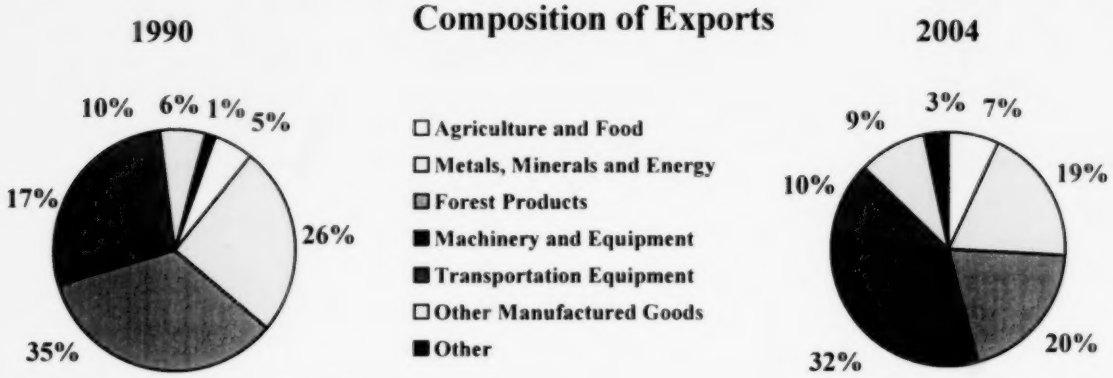
2. Merchandise Exports

Merchandise Exports



- Although Canada's goods exports to Germany have not grown since the mid-1990s, Germany remains Canada's 2nd-largest export destination in the EU and 6th-largest worldwide.
- Even so, the $2.7 billion in exports in 2004 accounts for less than 1% of Canada's total exports worldwide.

Composition of Exports



Major Export Products

	Value ($million)		Growth: 1990-2004	
	1990	2004	$million	%/yr.
Machinery and equipment	257.8	476.6	218.9	4.5
Wood pulp and scrap paper	545.2	306.3	-238.9	-4.0
Ores, slag and ash	291.7	242.0	-49.8	-1.3
Electrical/electronic machinery and equipment	67.7	178.4	110.6	7.2
Fossil fuels, energy and related	3.4	147.0	143.6	30.8
Optical, scientific and technical instruments	60.9	135.2	74.3	5.9
Motor vehicles, parts and related	48.0	132.2	84.2	7.5
Aerospace vehicles and parts	181.1	109.4	-71.7	-3.5
Paper and paper products	113.2	94.4	-18.8	-1.3
Wood and articles of wood	107.7	75.0	-32.7	-2.6
Inorganic chemicals, radioactive compounds	24.2	70.5	46.3	7.9
Clothing and apparel (knitted or crocheted)	1.2	40.9	39.6	28.3
Pharmaceutical products	26.8	39.6	12.8	2.8

Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

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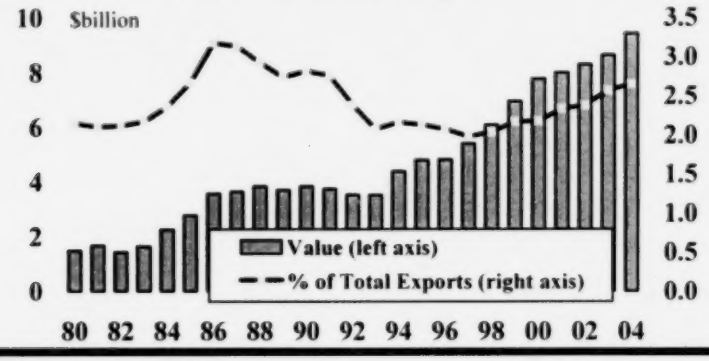
EUROPEAN UNION

C. Germany

3. Merchandise Imports

Merchandise Imports



- Germany is Canada's 6th-largest source of imports, only slightly behind the U.K. Merchandise imports reached $9.4 billion in 2004.
- Although Germany is rising in importance as a source of imports, it has been passed by China and Mexico, which have seen even faster growth.

Composition of Imports

Major Import Products

	Value ($million)		Growth: 1990-2004	
	1990	2004	$million	%/yr.
Machinery and equipment	1,027.9	2,264.6	1,236.7	5.8
Motor vehicles, parts and related	893.3	2,234.6	1,341.3	6.8
Pharmaceutical products	55.6	693.5	637.9	19.7
Optical, scientific and technical instruments	205.2	626.4	421.1	8.3
Electrical/electronic machinery and equipment	261.6	624.4	362.8	6.4
Organic chemicals	115.3	421.0	305.8	9.7
Iron and steel	101.2	314.8	213.5	8.4
Plastics and articles thereof	129.9	257.6	127.7	5.0
Articles of iron or steel	75.6	180.3	104.6	6.4
Paper and paper products	60.5	138.6	78.0	6.1
Misc. chemical products	47.7	118.8	71.1	6.7
Wood and articles of wood	5.8	104.2	98.4	22.9
Tools, implements, cutlery	32.6	99.0	66.4	8.2

Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

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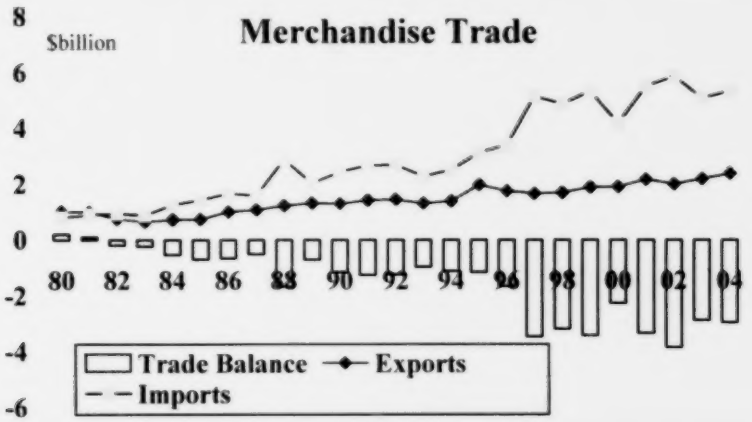
EUROPEAN UNION

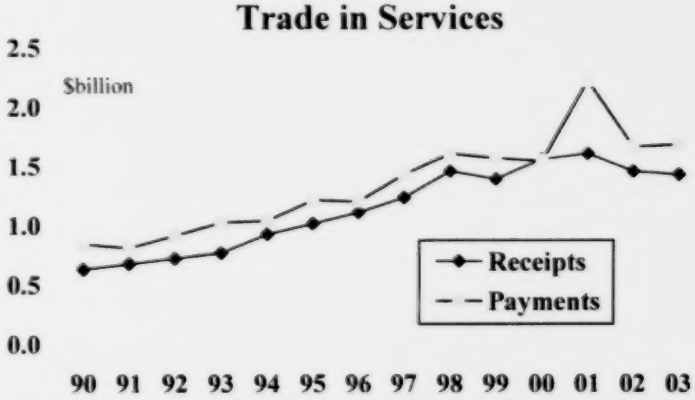
D. France

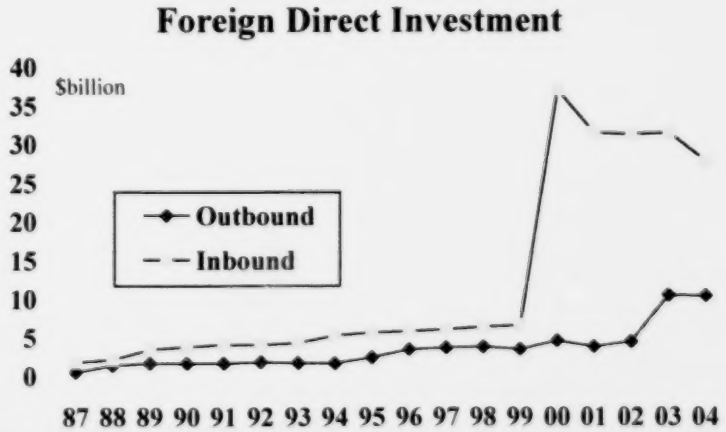
1. Trade and Investment Overview



- France is Canada's 3rd-largest trading partner in the EU, accounting for 11.9% of two-way trade with the region. Merchandise exports plus imports totalled $7.7 billion in 2004.
- About 1% of Canada's total trade worldwide is with France. This percentage is basically unchanged since 1993.

- France is Canada's 3rd-largest trading partner in services in the EU, and 5th-largest in the world.
- Services receipts were worth about $1.4 billion in 2003, while payments were about $1.7 billion that year.
- The surge in services payments in 2001 was the result of a one-time spike in commercial services.





- France is the 2nd-largest investor in Canada in the world. The stock of inbound FDI from France in 2004 was valued at $27.8 billion.
- The surge in French FDI in Canada in 2000 resulted from the acquisitions of Seagram's by Vivendi and Newbridge by Alcatel that year.
- By comparison, Canadian FDI in France is somewhat less – $10.4 billion in 2004.

Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

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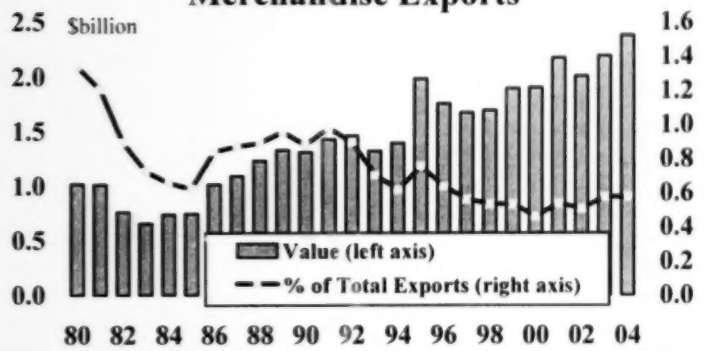
EUROPEAN UNION

D. France

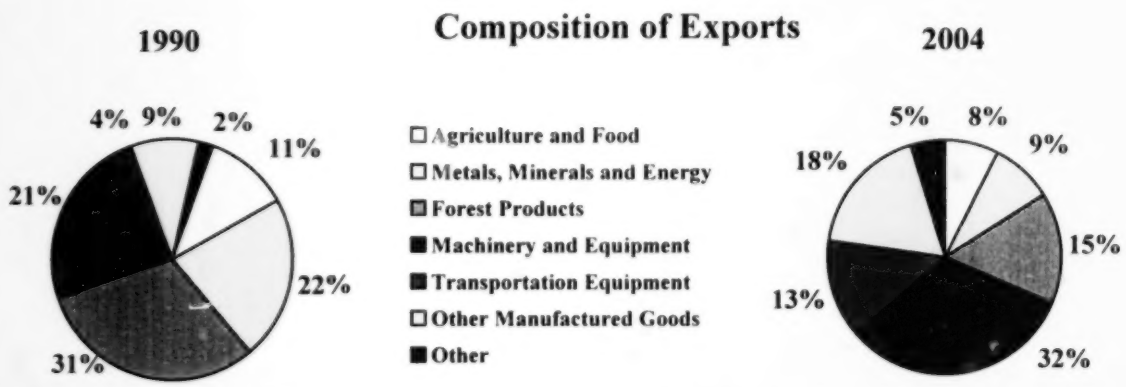
2. Merchandise Exports

Merchandise Exports



- France is Canada's 3rd-largest destination for merchandise exports in the EU. Exports totalled $2.4 billion in 2004.
- Of Canada's major export destinations in the EU, France is the second fastest-growing, behind only the U.K.

Composition of Exports



Major Export Products

	Value ($million)		Growth: 1990-2004	
	1990	2004	$million	%/yr.
Machinery and equipment	182.7	347.1	164.5	4.7
Electrical/electronic machinery and equipment	36.2	285.6	249.4	15.9
Aerospace vehicles and parts	34.2	234.2	200.0	14.7
Inorganic chemicals, radioactive compounds	39.4	181.9	142.5	11.6
Wood pulp and scrap paper	191.3	158.0	-33.3	-1.4
Fossil fuels, energy and related	37.7	121.3	83.5	8.7
Paper and paper products	62.8	98.6	35.8	3.3
Art, antiques and collector's items	7.8	88.6	80.8	19.0
Optical, scientific and technical instruments	39.4	83.1	43.7	5.5
Pharmaceutical products	6.5	70.5	64.0	18.5
Fish and seafood	71.4	59.6	-11.9	-1.3
Motor vehicles, parts and related	9.3	55.4	46.1	13.6
Books, newspapers, manuscripts, etc.	18.5	41.0	22.6	5.9

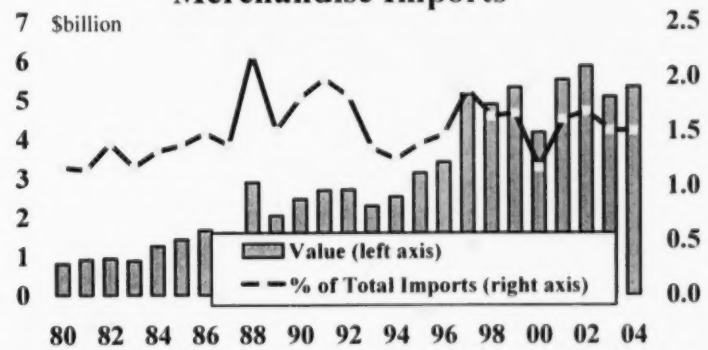
Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

EUROPEAN UNION

D. France

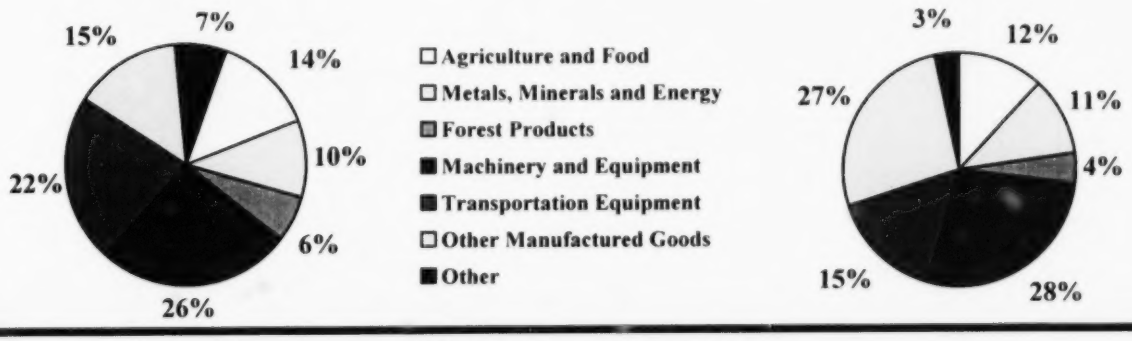
3. Merchandise Imports

Merchandise Imports



- Canadian merchandise imports from France were valued at $5.3 billion in 2004, making France the 3rd-largest source of imports from the EU to Canada.
- Since 1998, France has been among Canada's slowest-growing major sources of imports. Only Japan and the U.S. have been slower.

Composition of Imports



Major Import Products

	Value ($million)		Growth: 1990-2004	
	1990	2004	$million	%/yr.
Aerospace vehicles and parts	442.7	682.7	239.9	3.1
Machinery and equipment	344.8	662.7	317.9	4.8
Pharmaceutical products	14.6	559.5	544.9	29.7
Electrical/electronic machinery and equipment	207.4	541.4	334.0	7.1
Beverages, spirits and vinegar	260.1	449.9	189.8	4.0
Optical, scientific and technical instruments	67.1	219.5	152.4	8.8
Fossil fuels, energy and related	35.3	211.3	176.0	13.6
Essential oils, perfumes, cosmetics	51.6	204.3	152.6	10.3
Iron and steel	85.2	156.7	71.5	4.4
Organic chemicals	59.6	155.6	96.0	7.1
Books, newspapers, manuscripts, etc.	101.7	128.7	27.0	1.7
Motor vehicles, parts and related	82.6	112.7	30.1	2.2
Plastics and articles thereof	29.9	93.4	63.5	8.5

Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

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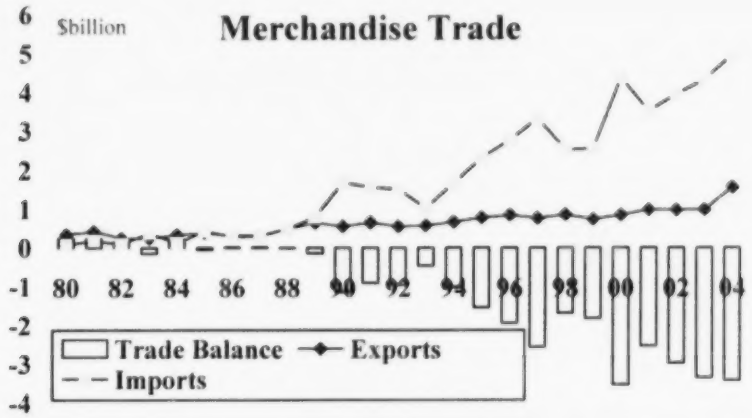
OTHER EUROPE

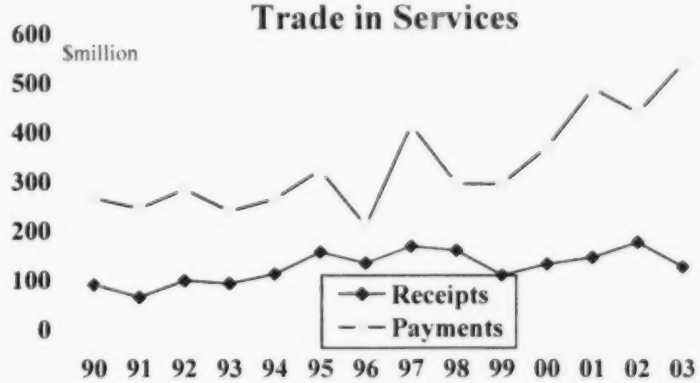
A. Norway

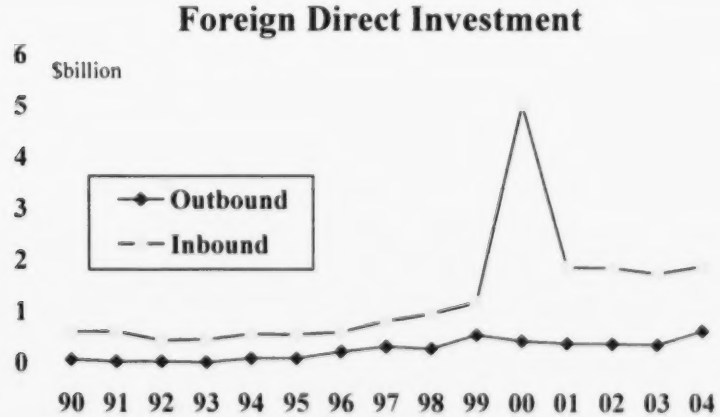
1. Trade and Investment Overview



- Non-EU countries in Europe are also major trading partners for Canada, especially on the merchandise import side.
- In particular, trade with Norway has expanded considerably in recent years, reaching $6.5 billion in 2004.
- Norway is Canada's 4th-largest trading partner in Europe and 9th-largest in the world.

- Trade in services between Canada and Norway totalled $666 million in 2003.
- Commercial services are responsible for Canada's trade deficit in services.
- Travel services between the two countries are minimal.





- Canadian FDI in Norway totalled $611 million in 2004, compared to $1.9 billion from that country.
- Norwegian FDI in Canada is concentrated in offshore energy and pulp and paper.
- The spike in inbound FDI in 2000 is related to the development of offshore energy in Atlantic Canada.

Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

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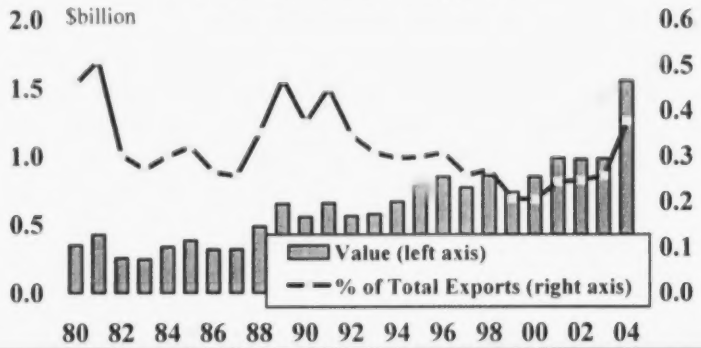
OTHER EUROPE

A. Norway

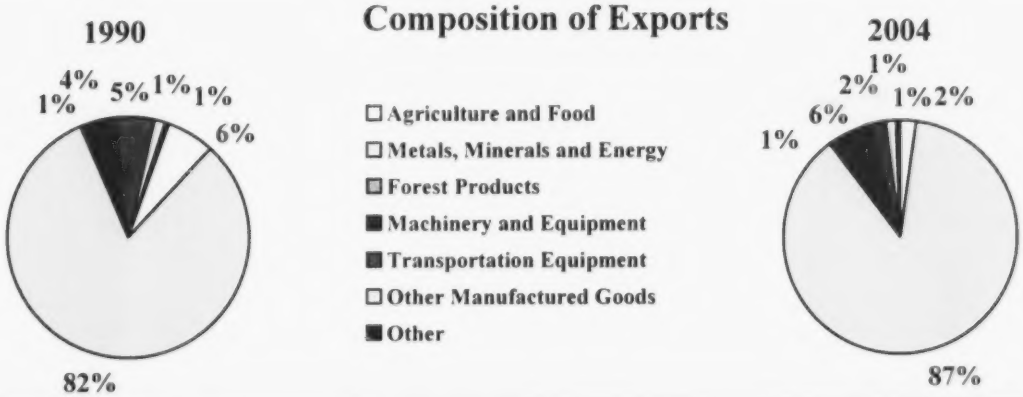
2. Merchandise Exports

Merchandise Exports



- Norway is Canada's 7th-largest export destination in Europe and 13th-largest worldwide. Exports totalled $1.5 billion in 2004.
- The surge in exports in 2004 is the result of significantly higher exports of nickel products.

Composition of Exports



Major Export Products

	Value ($million)		Growth: 1990-2004	
	1990	2004	$million	%/yr.
Nickel and articles thereof	378.6	1,116.5	737.9	8.0
Other base metals, cements and articles thereof	21.7	127.6	106.0	13.5
Copper and articles thereof	35.5	73.9	38.4	5.4
Machinery and equipment	12.5	44.0	31.5	9.4
Motor vehicles, parts and related	21.3	30.3	9.0	2.5
Electrical/electronic machinery and equipment	6.6	24.5	17.9	9.9
Fish and seafood	27.7	20.3	-7.4	-2.2
Ores, slag and ash	8.4	16.0	7.6	4.7
Optical, scientific and technical instruments	3.3	15.6	12.3	11.7
Organic chemicals	0.3	8.4	8.1	27.0
Furskins and related clothing	0.4	7.0	6.6	23.6
Pharmaceutical products	0.2	6.1	5.9	27.4
Cereals	1.9	4.8	2.8	6.7

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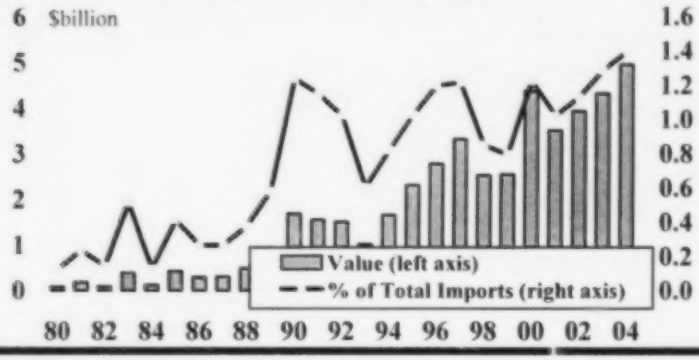
OTHER EUROPE

A. Norway

3. Merchandise Imports

Merchandise Imports



- Canada imported just under $5.0 billion in goods from Norway in 2004. Norway has become Canada's 9th-largest source of imports in the world.
- Imports from Norway are dominated by petroleum products. Aside from crude oil, imports from this country are minimal.

Composition of Imports

Major Import Products

	Value ($million)		Growth: 1990-2004	
	1990	2004	$million	%/yr.
Fossil fuels, energy and related	1,496.8	4,647.4	3,150.5	8.4
Iron and steel	6.3	45.4	39.2	15.2
Machinery and equipment	38.4	38.9	0.5	0.1
Electrical/electronic machinery and equipment	7.4	32.2	24.8	11.1
Fish and seafood	4.7	25.7	21.0	12.9
Motor vehicles, parts and related	6.4	24.6	18.2	10.1
Nickel and articles thereof	26.2	17.4	-8.8	-2.9
Optical, scientific and technical instruments	6.0	15.4	9.5	7.0
Articles of iron or steel	3.1	12.3	9.2	10.2
Dairy, eggs, honey, etc.	4.4	9.7	5.4	5.9
Fertilizers	0.7	6.3	5.6	16.9
Furniture, furnishings, prefab. buildings	2.6	5.7	3.1	5.8
Paper and paper products	1.2	5.4	4.2	11.4

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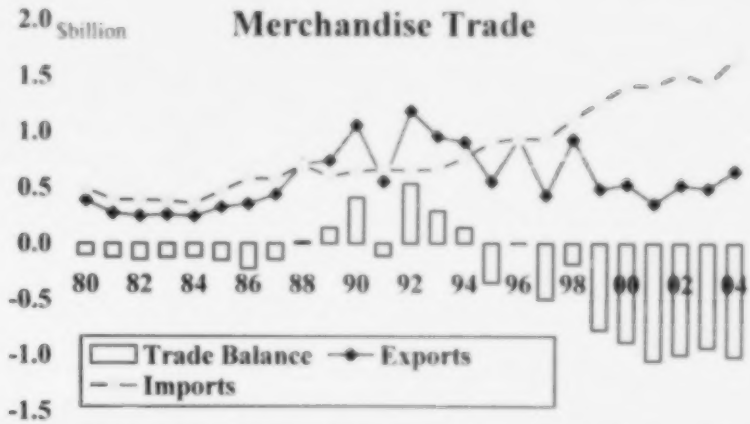
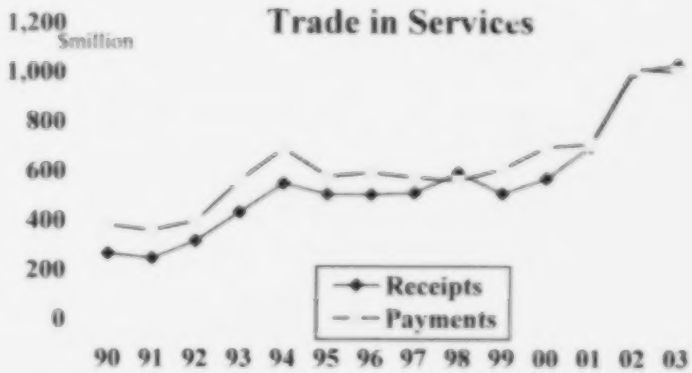
B. Switzerland

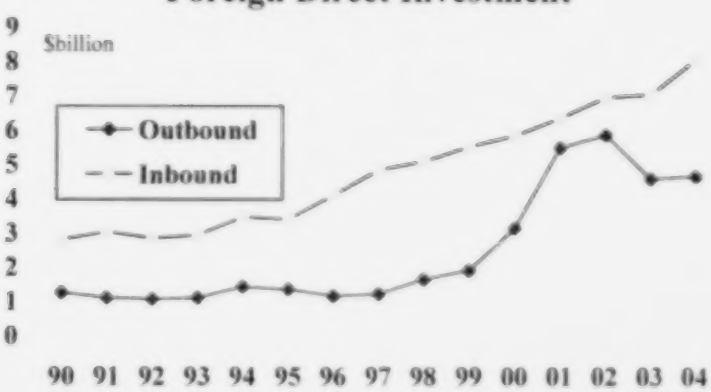
1. Trade and Investment Overview



- Switzerland is Canada's 2nd-largest European trading partner outside the EU.
- On the strength of Canadian imports, two-way trade between Canada and Switzerland reached $2.3 billion in 2004.

- Switzerland is a major trading partner for Canada in services. In fact, services trade exceeds merchandise trade.
- Services receipts and payments each exceeded $1.0 billion in 2003, making Switzerland Canada's 4th-largest trading partner in services in Europe.





- Switzerland is more significant to Canada as an investment partner than as a trading partner.
- Switzerland is the 5th-largest source of FDI in Canada. Inbound FDI reached $8.1 billion in 2004.
- Canadian FDI in Switzerland totalled $4.7 billion in 2004.

Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

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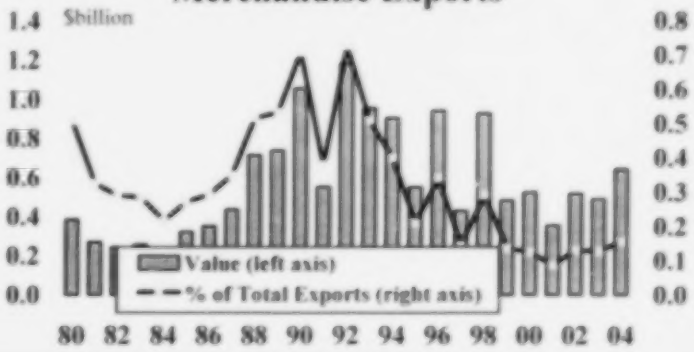
OTHER EUROPE

B. Switzerland

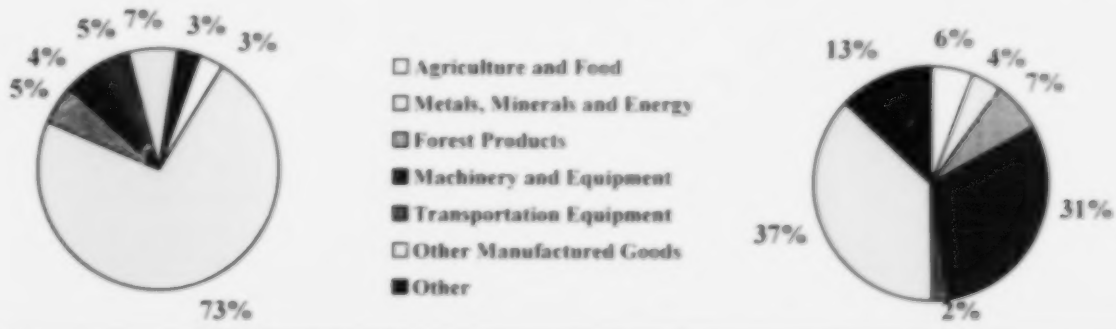
2. Merchandise Exports

Merchandise Exports



- Switzerland is Canada's 9th-largest export destination in Europe.
- Although exports to Switzerland have risen by more than 80% since 2001, at $645 million in 2004, they remain well below levels in the early 1990s.

Composition of Exports



Major Export Products

	Value ($million)		Growth: 1990-2004	
	1990	2004	$million	%/yr.
Pharmaceutical products	4.8	204.5	199.7	30.7
Machinery and equipment	17.9	119.9	102.0	14.5
Art, antiques and collector's items	2.4	76.9	74.6	28.1
Electrical/electronic machinery and equipment	12.3	43.7	31.3	9.4
Wood pulp and scrap paper	45.5	34.9	-10.6	-1.9
Optical, scientific and technical instruments	10.4	25.9	15.5	6.7
Meat and meat offal	7.1	17.6	10.6	6.8
Precious metals/stones, coins, jewellery	684.0	13.4	-670.7	-24.5
Motor vehicles, parts and related	8.3	9.5	1.2	1.0
Toys, games, sporting goods, etc.	4.2	5.5	1.3	2.0
Essential oils, perfumes, cosmetics	0.1	5.4	5.3	29.8
Books, newspapers, manuscripts, etc.	0.7	5.2	4.5	14.9
Prepared meat, fish and seafood	1.3	5.2	3.9	10.5

Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca

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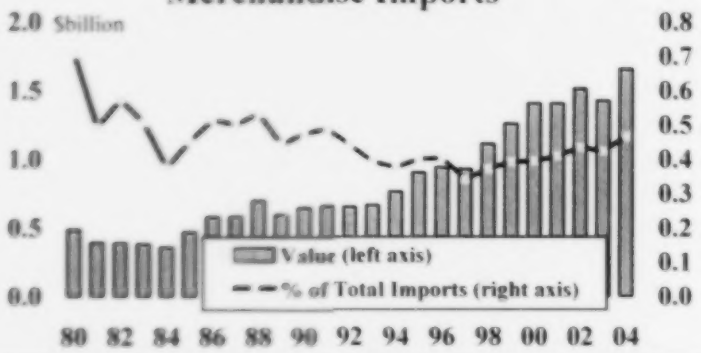
OTHER EUROPE

B. Switzerland

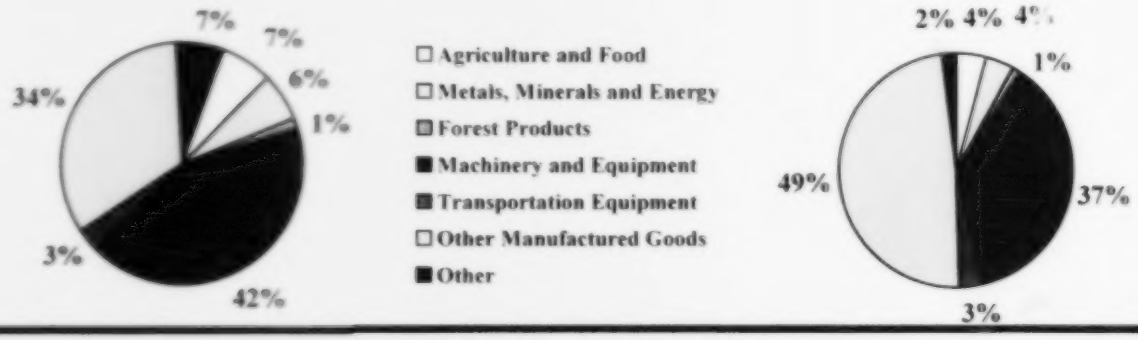
3. Merchandise Imports

Merchandise Imports



- Imports from Switzerland have been growing steadily since the mid-1990s, reaching a record $1.7 billion in 2004.
- Switzerland is Canada's 8th-largest source of imports in Europe and 19th worldwide.

Composition of Imports



Major Import Products

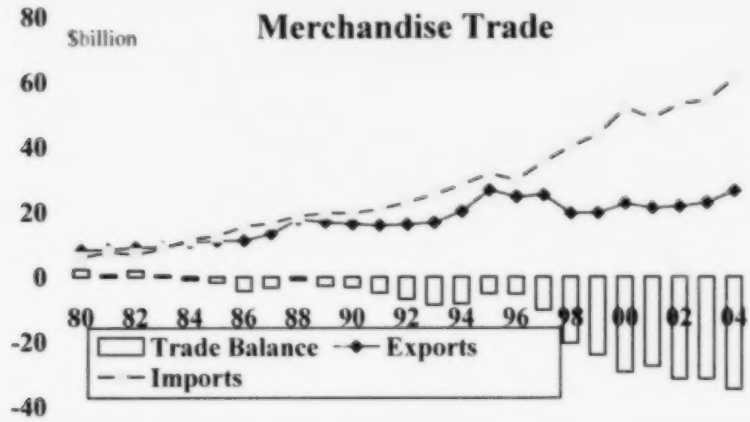
	Value ($million)		Growth: 1990-2004	
	1990	2004	$million	%/yr.
Pharmaceutical products	51.2	351.4	300.2	14.7
Machinery and equipment	135.2	281.9	146.8	5.4
Organic chemicals	115.8	281.8	166.1	6.6
Optical, scientific and technical instruments	47.4	148.3	100.9	8.5
Electrical/electronic machinery and equipment	53.6	95.3	41.7	4.2
Clocks, watches and parts thereof	29.4	87.2	57.8	8.1
Misc. chemical products	5.9	50.6	44.7	16.6
Motor vehicles, parts and related	14.9	41.9	27.0	7.7
Dairy, eggs, honey, etc.	11.0	23.8	12.8	5.7
Dyes, paints, varnishes, inks, etc.	15.0	23.3	8.3	3.2
Tools, implements and cutlery	9.8	23.3	13.5	6.4
Cocoa and cocoa preparations	8.4	21.7	13.3	7.0
Plastics and articles thereof	9.4	21.1	11.7	5.9

Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

ASIA-PACIFIC

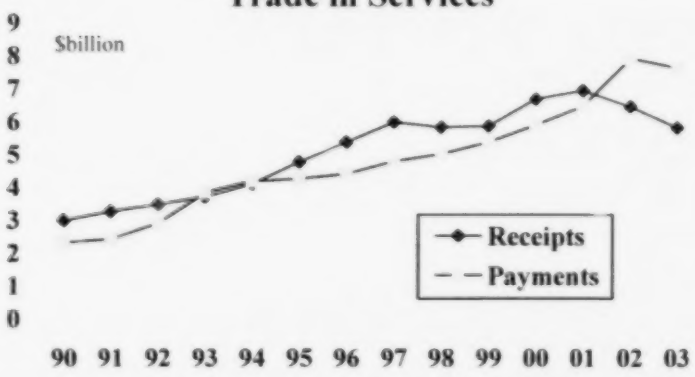
A. Total

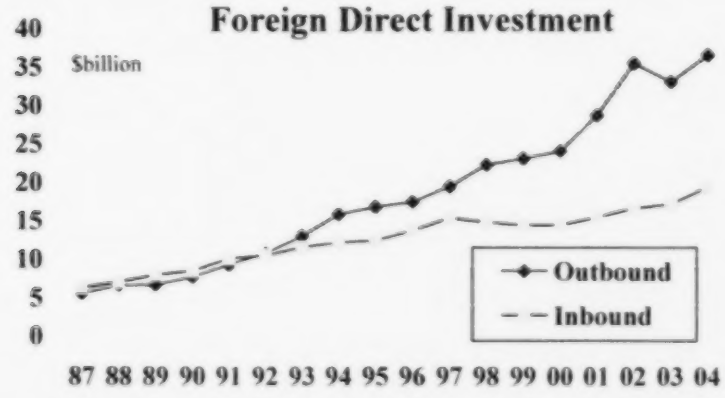
1. Trade and Investment Overview



- Asia-Pacific is Canada's second most important regional trading partner, behind the U.S. Two-way goods trade reached $87.4 billion in 2004.
- Asia-Pacific accounts for 11.4% of Canada's total trade worldwide. This percentage is down from a high of 13.0% in 1991.

- Although Asia-Pacific is a major merchandise trade partner, it is less significant in terms of trade in services.
- Asia-Pacific accounted for 9.7% of Canada's services receipts and 10.2% of services payments in 2003. These figures are below EU levels.





- Canadian FDI in Asia-Pacific reached $36.5 billion in 2004 – 8.2% of the total worldwide. Until recently, the share of Canadian FDI going to Asia-Pacific was falling.
- Japan and Australia together account for half of Canadian FDI in the region.
- Japan alone makes up 55% of FDI from Asia-Pacific into Canada.

Note: FDI data for Asia-Pacific also include the Middle East

Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

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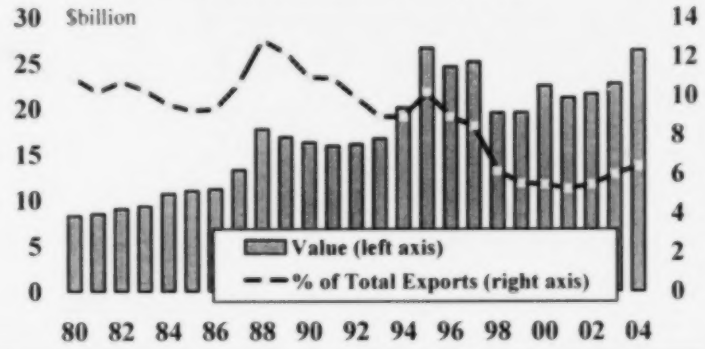
ASIA-PACIFIC

A. Total

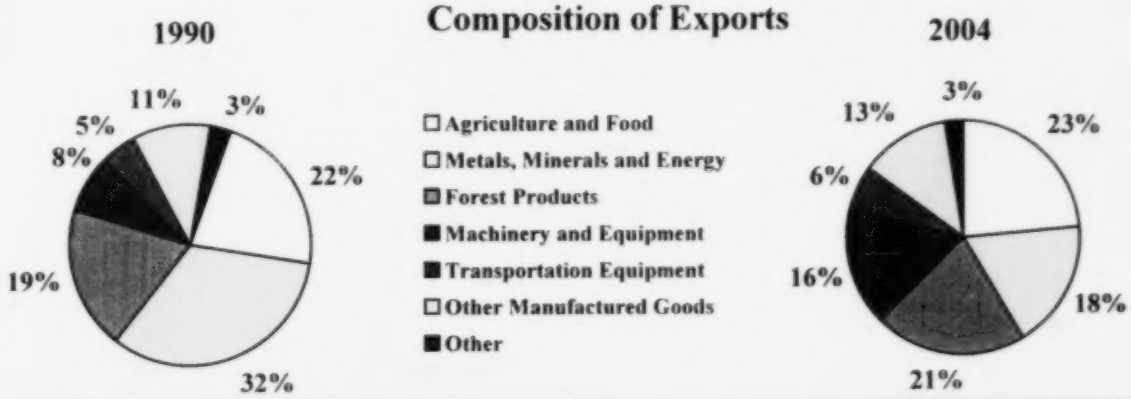
2. Merchandise Exports

Merchandise Exports



- Merchandise exports to Asia-Pacific fell dramatically in 1998 as a result of the Asian Crisis. Despite strong growth in 2004, exports have yet to return to 1995 levels.
- In 2004, exports were valued at $26.4 billion, accounting for 6.4% of Canada's total exports worldwide.

Composition of Exports



Major Export Products

	Value ($billion)		Growth: 1990-2004	
	1990	2004	$billion	%/yr.
Wood pulp and scrap paper	1.16	2.69	1.53	6.2
Wood and articles of wood	1.41	2.16	0.75	3.1
Machinery and equipment	0.68	1.90	1.22	7.6
Electrical/electronic machinery and equipment	0.43	1.76	1.34	10.6
Cereals	1.59	1.60	0.00	0.0
Oil seeds, fodder, medicinal plants, etc.	0.78	1.27	0.50	3.6
Organic chemicals	0.49	1.26	0.77	7.0
Meats and meat offal	0.18	1.10	0.92	13.9
Fish and seafood	0.56	1.01	0.45	4.3
Nickel and articles thereof	0.03	0.97	0.94	27.1
Ores, slag and ash	1.20	0.93	-0.27	-1.8
Motor vehicles, parts and related	0.27	0.89	0.62	8.8
Fossil fuels, energy and related	1.94	0.84	-1.10	-5.8

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BIBLIOTHÈQUE DU PARLEMENT

ASIA-PACIFIC

A. Total

2. Merchandise Exports (cont'd)

Major Export Destinations in Asia-Pacific

China			
Export Value ($b)	Growth 1990-2004	% of Total to: A-P	% of Total to: World
6.7	10.2%/yr	25.2%	1.6%

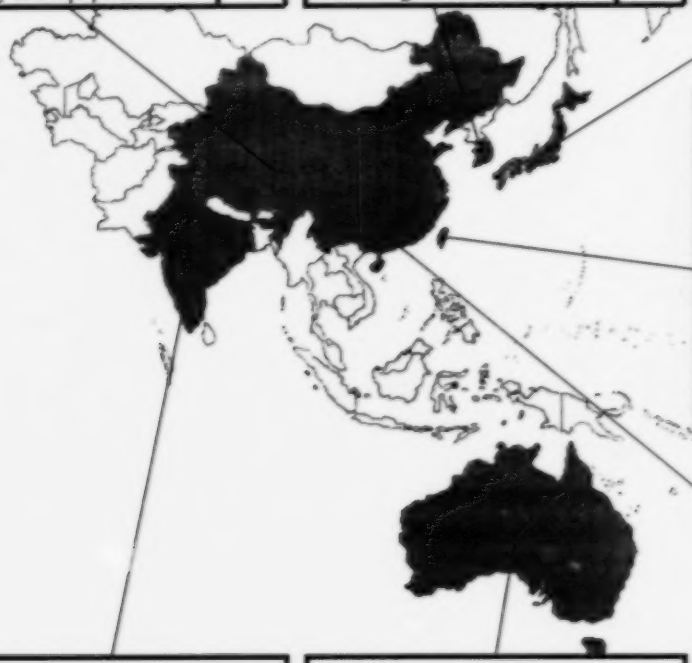
Major Products ($m):	
Wood pulp and scrap paper	1,039
Organic chemicals	869
Cereals	767
Motor vehicles and parts	480
Machinery and equipment	365

South Korea			
Export Value ($b)	Growth 1990-2004	% of Total to: A-P	% of Total to: World
2.3	2.7%/yr	8.6%	0.5%

Major Products ($m):	
Wood pulp and scrap paper	427
Fossil fuels, energy and related	237
Organic chemicals	191
Nickel and articles thereof	163
Electrical goods/electronics	161

Japan			
Export Value ($b)	Growth 1990-2004	% of Total to: A-P	% of Total to: World
8.6	0.3%/yr	32.4%	2.1%

Major Products ($m):	
Wood and articles of wood	1,702
Oil seeds, oleaginous fruits, etc.	979
Meat and meat offal	777
Wood pulp and scrap paper	551
Ores, slag and ash	514



Taiwan			
Export Value ($b)	Growth 1990-2004	% of Total to: A-P	% of Total to: World
1.2	3.1%/yr	4.7%	0.3%

Major Products ($m):	
Wood pulp and scrap paper	167
Nickel and articles thereof	120
Electrical goods/electronics	96.1
Hides, skins and leather	94.6
Paper and paper products	84.1

India			
Export Value ($b)	Growth 1990-2004	% of Total to: A-P	% of Total to: World
0.88	7.5%/yr	3.3%	0.2%

Major Products ($m):	
Paper and paper products	163
Vegetables, roots, tubers	105
Fertilizers	91.0
Electrical goods/electronics	88.2
Wood pulp and scrap paper	85.5

Australia			
Export Value ($b)	Growth 1990-2004	% of Total to: A-P	% of Total to: World
1.6	4.0%/yr	5.9%	0.4%

Major Products ($m):	
Machinery and equipment	462
Aerospace vehicles	145
Electrical goods/electronics	137
Meat and meat offal	116
Motor vehicles and parts	101

Hong Kong			
Export Value ($b)	Growth 1990-2004	% of Total to: A-P	% of Total to: World
1.4	5.2%/yr	5.3%	0.3%

Major Products ($m):	
Electrical goods/electronics	233
Nickel and articles thereof	199
Furskins and related clothing	109
Machinery and equipment	108
Fish and seafood	98.4

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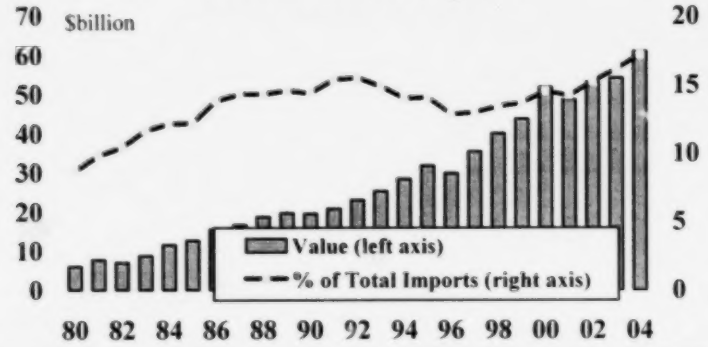
ASIA-PACIFIC

A. Total

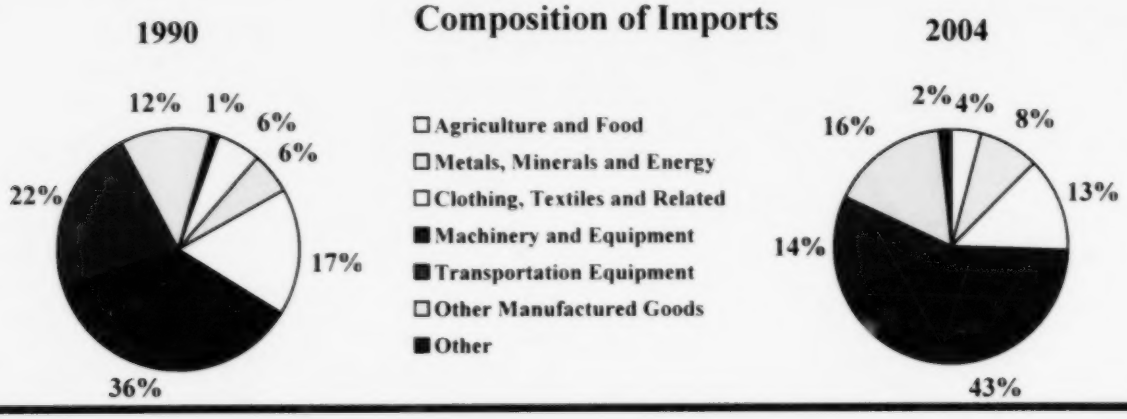
3. Merchandise Imports

Merchandise Imports



- Asia-Pacific is a major source of goods imports into Canada. Led by China, imports reached a record $61.0 billion in 2004.
- The share of Canada's imports originating in Asia-Pacific is rising. The region accounted for 17.2% of Canada's total imports in 2004.

Composition of Imports



Major Import Products

	Value ($billion)		Growth: 1990-2004	
	1990	2004	$billion	%/yr.
Electrical/electronic machinery and equipment	3.02	12.00	8.98	10.3
Machinery and equipment	3.20	11.59	8.39	9.6
Motor vehicles, parts and related	4.22	7.65	3.43	4.3
Toys, games, sporting goods, etc.	0.57	2.35	1.78	10.6
Clothing and apparel (woven)	1.03	2.26	1.23	5.8
Furniture, furnishings, prefab. buildings	0.26	2.08	1.81	16.0
Optical, scientific and technical instruments	0.57	2.02	1.45	9.4
Clothing and apparel (knitted or crocheted)	0.66	2.01	1.35	8.3
Articles of iron or steel	0.38	1.58	1.20	10.7
Plastics and articles thereof	0.27	1.24	0.97	11.6
Footwear	0.41	1.14	0.73	7.6
Rubber and articles thereof	0.39	1.08	0.69	7.6
Iron and steel	0.15	0.86	0.71	13.2

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ASIA-PACIFIC

A. Total

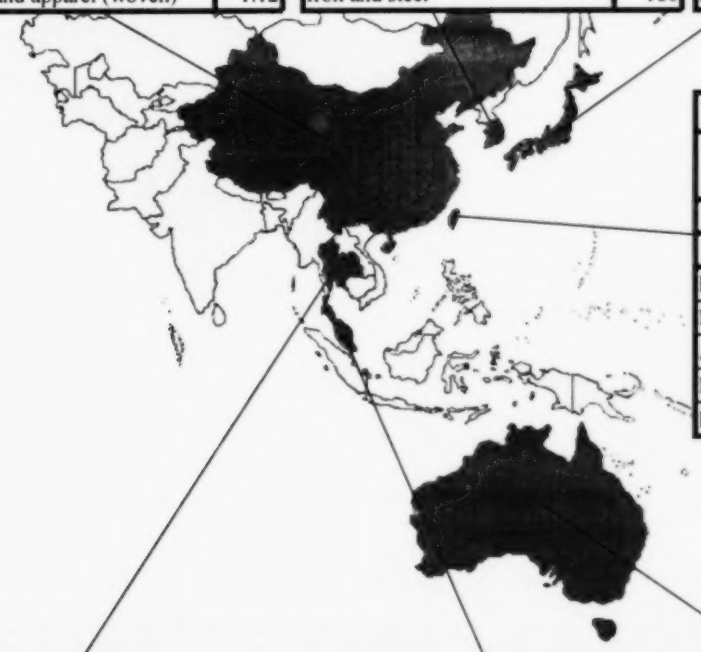
3. Merchandise Imports (cont'd)

Major Import Sources in Asia-Pacific

China			
Import Value ($b)	Growth 1990-2004	% of Total: A-P	% of Total: World
24.1	22.6%/yr	39.5%	6.8%
Major Products ($b):			
Machinery and equipment	4.70		
Electrical goods/electronics	4.33		
Toys, games, sporting goods, etc.	2.05		
Furniture and furnishings	1.64		
Clothing and apparel (woven)	1.12		

South Korea			
Import Value ($b)	Growth 1990-2004	% of Total: A-P	% of Total: World
5.8	7.0%/yr	9.5%	1.6%
Major Products ($m):			
Motor vehicles and parts	1,800		
Electrical goods/electronics	1,480		
Machinery and equipment	812		
Ships, boats, floating platforms	294		
Iron and steel	180		

Japan			
Import Value ($b)	Growth 1990-2004	% of Total: A-P	% of Total: World
13.4	2.5%/yr	21.9%	3.8%
Major Products ($m):			
Motor vehicles and parts	5,112		
Machinery and equipment	2,869		
Electrical goods/electronics	2,297		
Specialized instruments	895		
Rubber and articles thereof	343		



Taiwan			
Import Value ($b)	Growth 1990-2004	% of Total: A-P	% of Total: World
3.9	4.6%/yr	6.4%	1.1%
Major Products ($m):			
Electrical goods/electronics	1,119		
Machinery and equipment	1,001		
Articles of iron or steel	277		
Motor vehicles and parts	242		
Plastics and articles thereof	123		

Thailand			
Import Value ($b)	Growth 1990-2004	% of Total: A-P	% of Total: World
2.0	12.1%/yr	3.3%	0.6%
Major Products ($m):			
Electrical goods/electronics	431		
Machinery and equipment	425		
Prepared meat, fish and seafood	152		
Fish and seafood	98.7		
Rubber and articles thereof	95.4		

Malaysia			
Import Value ($b)	Growth 1990-2004	% of Total: A-P	% of Total: World
2.6	14.8%/yr	4.3%	0.7%
Major Products ($m):			
Electrical goods/electronics	1,214		
Machinery and equipment	852		
Furniture and furnishings	96.7		
Rubber and articles thereof	91.7		
Specialized instruments	67.2		

Australia			
Import Value ($b)	Growth 1990-2004	% of Total: A-P	% of Total: World
1.8	6.2%/yr	2.9%	0.5%
Major Products ($m):			
Inorganic chemicals	571		
Ores, slag, ash	302		
Beverages, spirits, vinegar	234		
Machinery and equipment	80.1		
Meat and meat offal	74.9		

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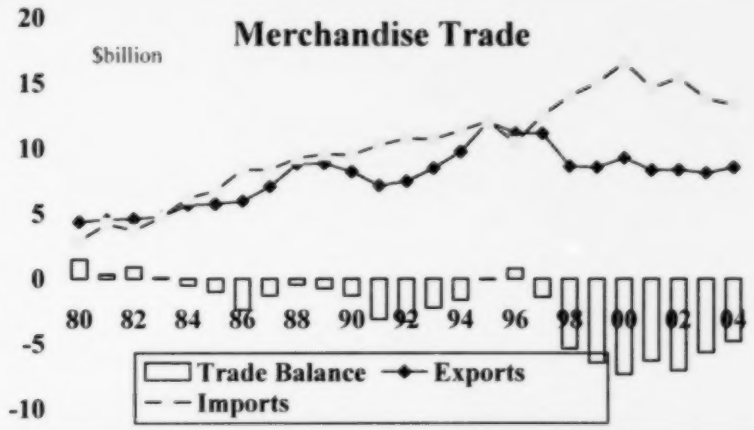
ASIA-PACIFIC

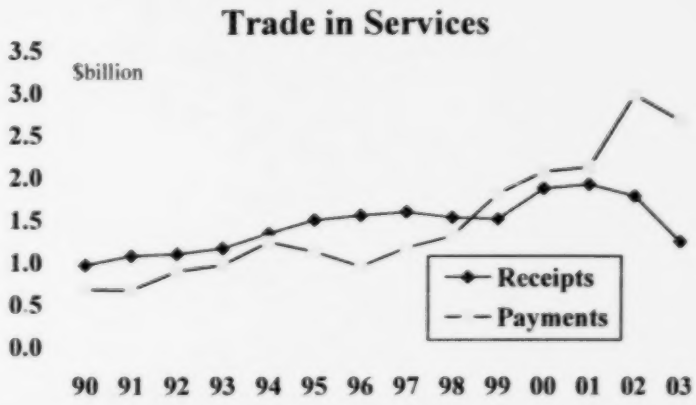
B. Japan

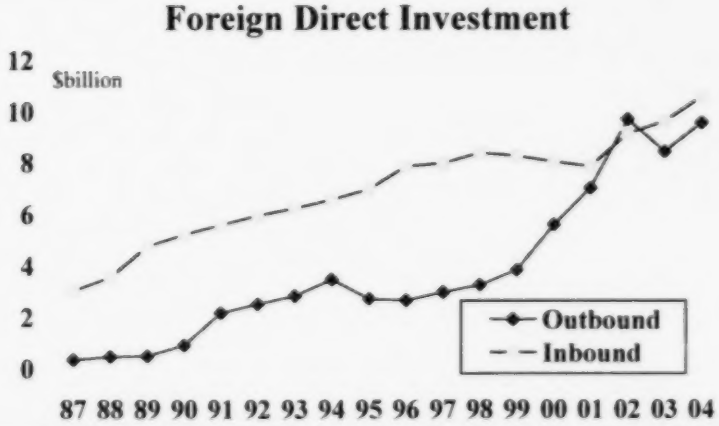
1. Trade and Investment Overview



- Japan emerged as a major trading partner in the 1980s. Since the Asian Crisis, however, two-way merchandise trade has stagnated.
- Exports plus imports totalled $21.9 billion in 2004, equivalent to 2.9% of Canada's total trade worldwide.

- Given the size of merchandise trade, trade in services between Canada and Japan is modest.
- The decline in services receipts in 2003 is mostly due to a large drop in travel services.
- Canada's overall trade deficit in services with Japan is the result of a large deficit in commercial services.





- Japan is the largest destination for, and source of, Canadian FDI in Asia-Pacific.
- Outbound FDI to Japan reached $9.6 billion in 2004, slightly below the $10.6 billion in inbound FDI. Japan accounts for 2.2% of Canadian outbound FDI, up from 1.2% in 1998.

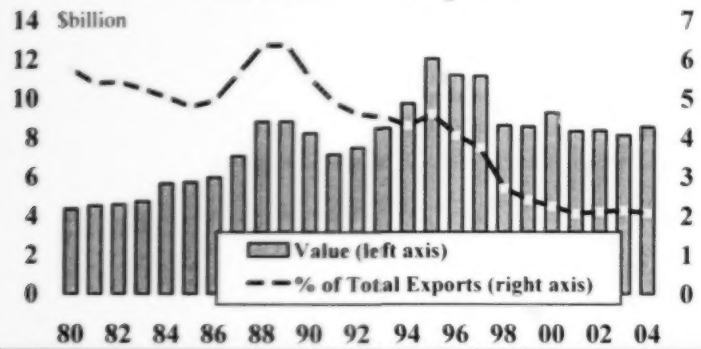
Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

ASIA-PACIFIC

B. Japan

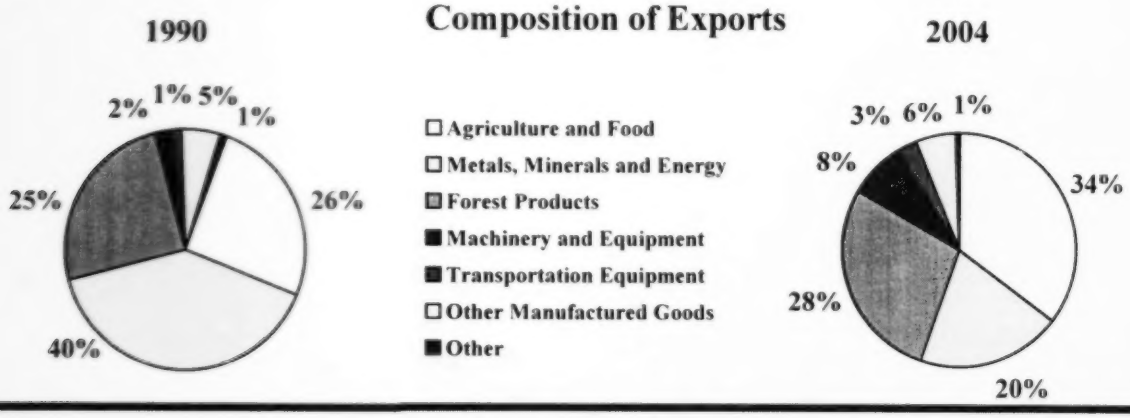
2. Merchandise Exports

Merchandise Exports



- Economic difficulties in Japan since the mid-1990s have had a dramatic effect on Canadian merchandise exports.
- Japan is still Canada's 2nd-largest export destination worldwide, but its relative significance has fallen considerably.

Composition of Exports



Major Export Products

	Value ($million)		Growth: 1990-2004	
	1990	2004	$million	%/yr.
Wood and articles of wood	1,260.0	1,701.9	441.9	2.2
Oil seeds, fodder, medicinal plants, etc.	713.8	979.2	265.4	2.3
Meat and meat offal	165.5	777.1	611.6	11.7
Wood pulp and scrap paper	662.7	550.5	-112.2	-1.3
Ores, slag and ash	964.2	514.3	-449.9	-4.4
Fish and seafood	516.1	489.0	-27.0	-0.4
Aluminum and articles thereof	356.2	426.9	70.7	1.3
Fossil fuels, energy and related	1,487.3	372.9	-1,114.4	-9.4
Cereals	453.3	337.7	-115.6	-2.1
Electrical/electronic machinery and equipment	45.8	297.1	251.3	14.3
Machinery and equipment	86.2	211.6	125.4	6.6
Other base metals, cements, etc.	4.4	173.9	169.5	30.1
Nickel and articles thereof	27.3	160.1	132.8	13.5

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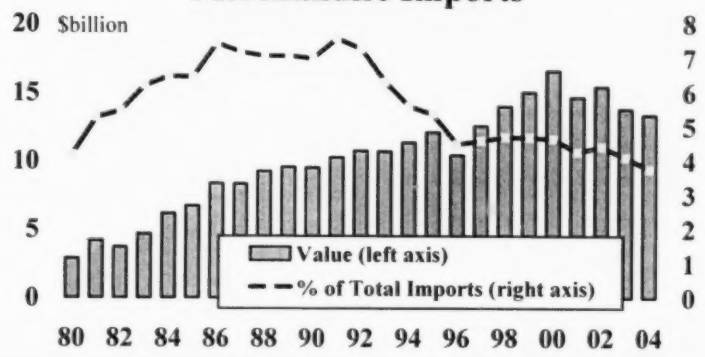
ASIA-PACIFIC

B. Japan

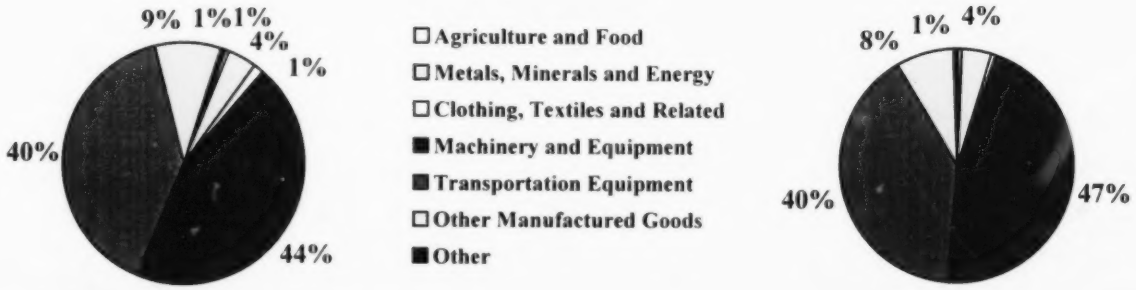
3. Merchandise Imports

Merchandise Imports



- Goods imports from Japan have been stronger than exports. Even so, imports are down markedly from their peak in 2000, valued at $13.4 billion in 2004.
- Japan is no longer Canada's 2nd-largest source of imports. It has been surpassed by both China and Mexico.

Composition of Imports



Major Import Products

	Value ($million)		Growth: 1990-2004	
	1990	2004	$million	%/yr.
Motor vehicles, parts and related	3,763.9	5,112.1	1,348.2	2.2
Machinery and equipment	2,098.8	2,868.5	769.7	2.3
Electrical/electronic machinery and equipment	1,576.5	2,297.0	720.5	2.7
Optical, scientific and technical instruments	459.7	894.9	435.2	4.9
Rubber and articles thereof	192.9	343.0	150.2	4.2
Aerospace vehicles	12.8	267.3	254.5	24.2
Articles of iron or steel	174.2	260.0	85.8	2.9
Plastics and articles thereof	54.3	139.7	85.3	7.0
Iron and steel	102.4	115.7	13.3	0.9
Tools, implements and cutlery	37.3	102.9	65.6	7.5
Photographic or cinematic goods	137.9	93.1	-44.8	-2.8
Toys, games, sporting goods, etc.	179.7	85.2	-94.6	-5.2
Organic chemicals	52.1	70.2	18.2	2.2

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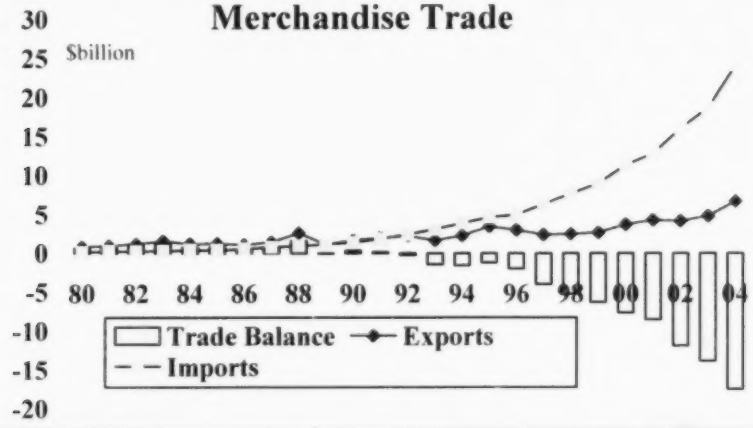
ASIA-PACIFIC

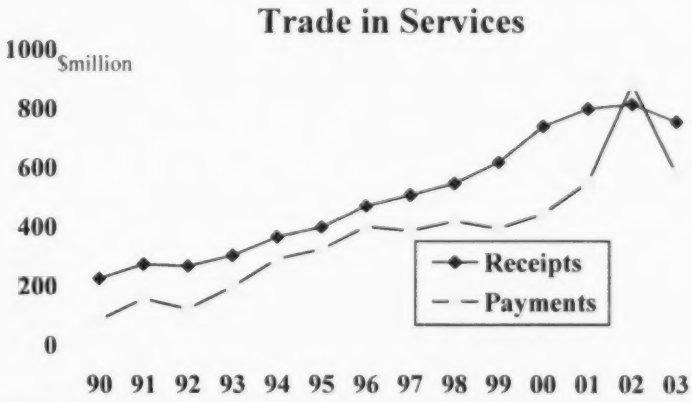
C. China

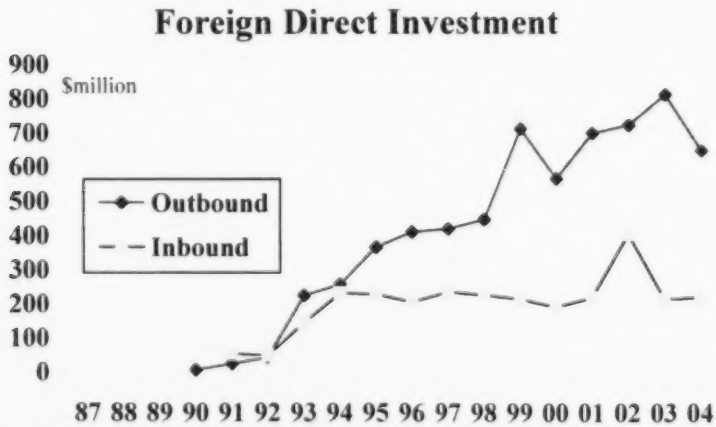
1. Trade and Investment Overview



- China is by far Canada's fastest-growing trading partner. Led by imports, trade grew by 31.7% in 2004, reaching $30.7 billion.
- China now accounts for 35.2% of Canada's two-way goods trade with Asia-Pacific, and 4.0% worldwide.

- Trade in services with China is modest compared to trade in merchandise.
- The drop in services payments to China was the result of lower sales of government and transportation services.
- Canadian services receipts are evenly distributed across travel, commercial, and transportation and government services.





- Because of foreign ownership restrictions, China has not been a major destination for FDI until recently.
- Accordingly, even though Canadian FDI is growing, China is not yet a major Asia-Pacific destination for Canadian investments.
- Canadian FDI in China was worth $647 million in 2004.

Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

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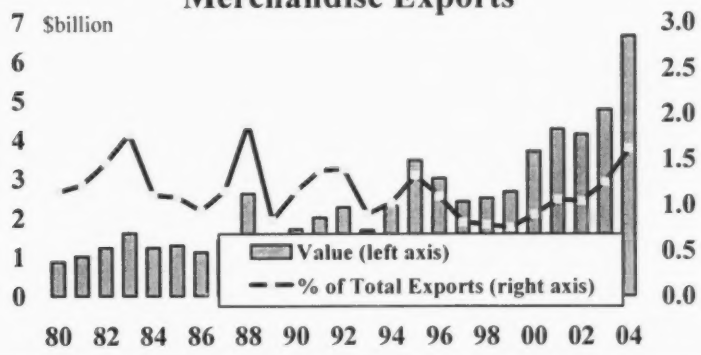
ASIA-PACIFIC

C. China

2. Merchandise Exports

Merchandise Exports



- China is one of Canada's fastest-growing merchandise export destinations, along with the U.S. and Mexico.
- Exports reached a record $6.7 billion in 2004. The surge in exports over 2003 levels is largely due to increased sales of organic chemicals and wheat.

Composition of Exports

Major Export Products

	Value ($million)		Growth: 1990-2004	
	1990	2004	$million	%/yr.
Wood pulp and scrap paper	133.4	1,039.3	905.9	15.8
Organic chemicals	15.4	869.2	853.8	33.4
Cereals	834.2	766.6	-67.6	-0.6
Motor vehicles, parts and related	48.1	479.6	431.5	17.9
Machinery and equipment	158.4	364.5	206.1	6.1
Electrical/electronic machinery and equipment	95.5	342.0	246.5	9.5
Fish and seafood	3.2	298.2	295.0	38.1
Fertilizers	153.0	274.9	121.9	4.3
Nickel and articles thereof	0.9	232.6	231.7	48.7
Ores, slag and ash	9.6	161.2	151.5	22.3
Fats, oils, waxes and their cleavage products	2.5	152.8	150.3	34.1
Plastics and articles thereof	42.9	147.4	104.5	9.2
Iron and steel	17.4	143.2	125.8	16.2

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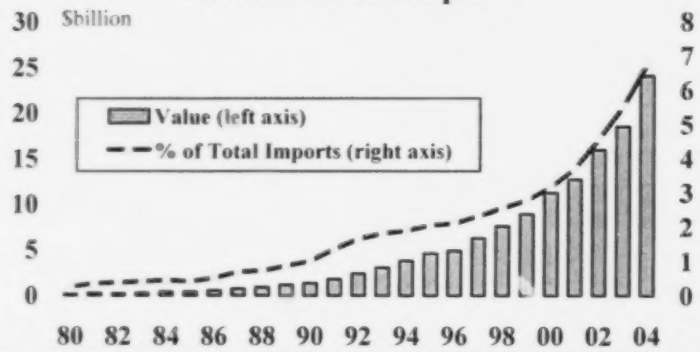
ASIA-PACIFIC

C. China

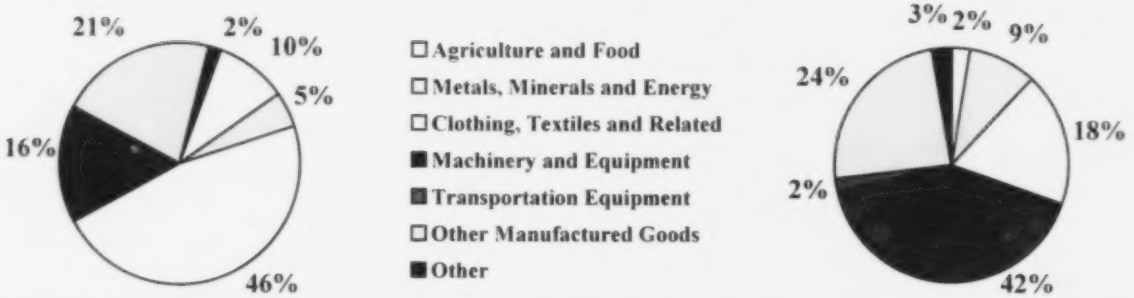
3. Merchandise Imports

Merchandise Imports



- China is Canada's 2nd-largest source of goods imports in the world and by far the fastest-growing of any major importer.
- Imports have grown by an average of 22.6% per year since 1990.
- Imports reached a record $24.1 billion in 2004.

Composition of Imports



Major Import Products

	Value ($million)		Growth: 1990-2004	
	1990	2004	$million	%/yr.
Machinery and equipment	53.2	4,707.8	4,654.6	37.7
Electrical/electronic machinery and equipment	139.8	4,325.4	4,185.7	27.8
Toys, games, sporting goods, etc.	168.2	2,049.4	1,881.1	19.5
Furniture, furnishings, prefab. buildings	25.2	1,634.6	1,609.4	34.7
Clothing and apparel (woven)	205.8	1,120.0	914.2	12.9
Footwear	77.7	913.2	835.4	19.2
Clothing and apparel (knitted or crocheted)	66.6	887.8	821.2	20.3
Articles of iron or steel	24.0	752.3	728.3	27.9
Plastics and articles thereof	32.4	721.3	689.0	24.8
Optical, scientific and technical instruments	10.3	680.7	670.5	34.9
Articles of leather	141.7	629.0	487.3	11.2
Other made-up textiles and clothing	40.7	349.7	309.0	16.6
Motor vehicles, parts and related	4.0	322.8	318.8	37.0

Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

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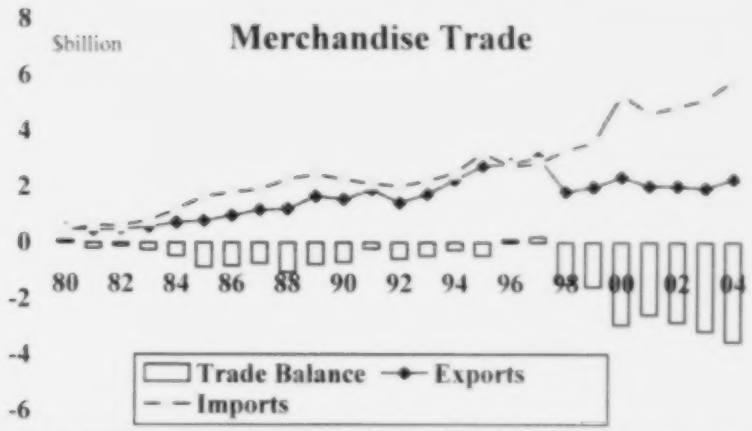
ASIA-PACIFIC

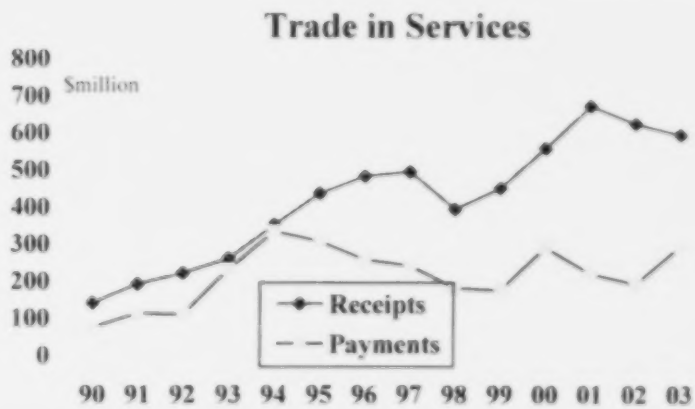
D. South Korea

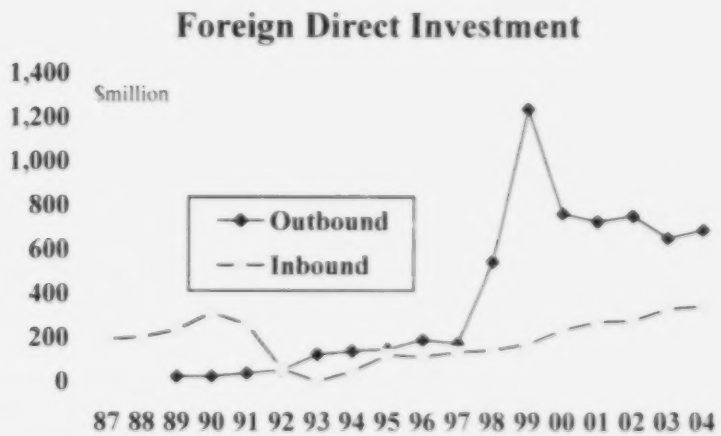
1. Trade and Investment Overview



- South Korea is Canada's 3rd-largest trading partner in Asia-Pacific and 7th-largest in the world. Two-way goods trade reached $8.1 billion in 2004.
- Exports and imports were growing in tandem until the Asian Crisis. Since then, exports have been stagnant.

- Canada holds a considerable trade surplus in services with South Korea, particularly in the area of travel services.
- South Korea is not a major trading partner in services. It is Canada's 4th-largest destination for services in Asia-Pacific, but the 7th-largest source of services in the region.





- Given the extent of the trade relationship between Canada and South Korea, investment flows between the two countries are not significant.
- South Korea ranks low on the list of Canada's major destinations for FDI in Asia-Pacific.
- Outbound FDI reached $686 million in 2004, while inbound FDI totalled $342 million.

Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

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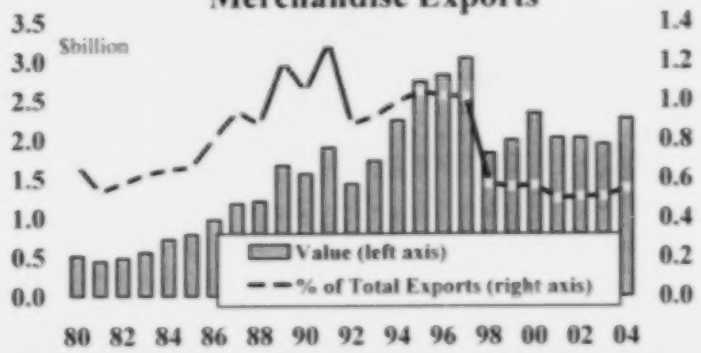
ASIA-PACIFIC

D. South Korea

2. Merchandise Exports

Merchandise Exports



- Merchandise export growth to South Korea halted abruptly with the Asian Crisis in 1997-1998. Since then, exports have been stagnant.
- Exports totalled $2.3 billion in 2004, compared to a peak of $3.0 billion in 1997.

Composition of Exports

Major Export Products

	Value ($million)		Growth: 1990-2004	
	1990	2004	$million	%/yr.
Wood pulp and scrap paper	132.6	426.8	294.1	8.7
Fossil fuels, energy and related	333.9	237.2	-96.7	-2.4
Organic chemicals	140.6	190.7	50.1	2.2
Nickel and articles thereof	2.0	163.2	161.1	36.7
Electrical/electronic machinery and equipment	30.5	160.6	130.1	12.6
Aluminum and articles thereof	104.3	144.2	39.9	2.3
Ores, slag and ash	161.0	134.6	-26.4	-1.3
Machinery and equipment	47.1	98.1	51.0	5.4
Wood and articles of wood	20.1	82.5	62.4	10.6
Cereals	42.0	76.2	34.2	4.4
Optical, scientific and technical instruments	9.8	64.0	54.2	14.4
Fish and seafood	6.6	44.5	37.9	14.6
Meats and meat offal	2.9	43.4	40.5	21.2

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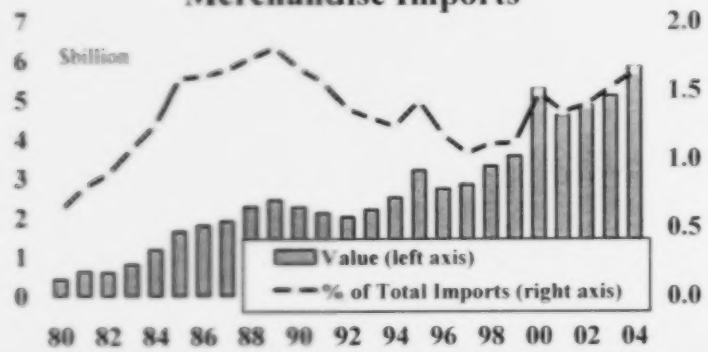
ASIA-PACIFIC

D. South Korea

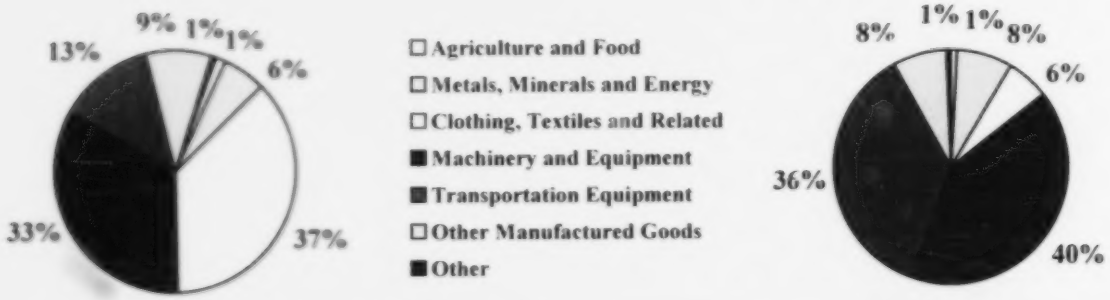
3. Merchandise Imports

Merchandise Imports



- South Korea has been one of Canada's fastest-growing sources of goods imports in the past five years, along with China, Mexico and Norway.
- Imports were worth $5.8 billion in 2004, making South Korea Canada's 7th-largest source of imports worldwide.

Composition of Imports



Major Import Products

	Value ($million)		Growth: 1990-2004	
	1990	2004	$million	%/yr.
Motor vehicles, parts and related	272.2	1,800.0	1,527.7	14.4
Electrical/electronic machinery and equipment	445.1	1,480.0	1,034.9	9.0
Machinery and equipment	254.0	811.9	558.0	8.7
Ships, boats and floating structures	0.5	294.2	293.7	57.5
Iron and steel	27.8	180.2	152.4	14.3
Rubber and articles thereof	65.9	164.8	98.9	6.8
Articles of iron or steel	58.3	151.8	93.5	7.1
Plastics and articles thereof	27.4	126.0	98.6	11.5
Clothing and apparel (knitted or crocheted)	119.8	82.9	-36.9	-2.6
Optical, scientific and technical instruments	23.1	82.2	59.1	9.5
Clothing and apparel (woven)	189.3	62.0	-127.3	-7.7
Organic chemicals	8.2	42.4	34.2	12.5
Knitted or crocheted fabrics	1.4	37.4	35.9	26.1

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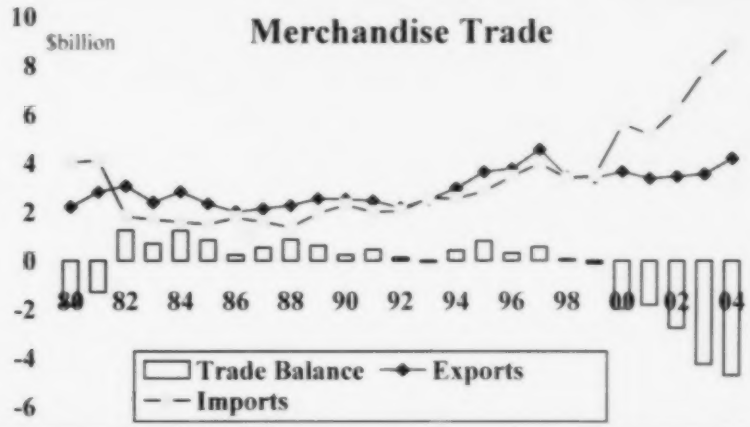
BIBLIOTHÈQUE DU PARLEMENT

AFRICA AND MIDDLE EAST

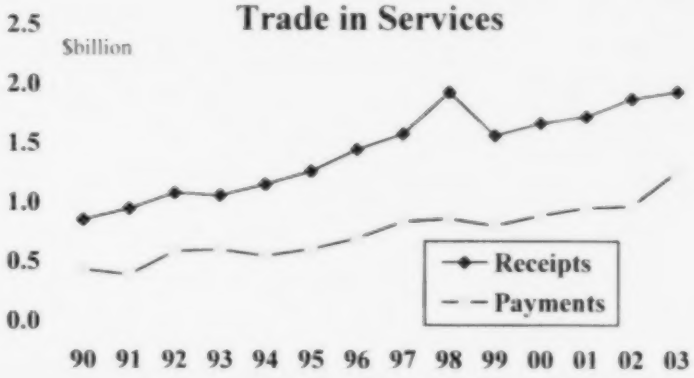
A. Total

1. Trade and Investment Overview



- Canada's two-way goods trade with Africa and the Middle East accounts for about 1.7% of its total trade worldwide. This proportion has been rising since 1999 on the strength of import growth.
- Two-way trade totalled $13.1 billion in 2004.

- Services receipts were valued at about $1.9 billion in 2003 – $1.3 billion from Africa and $637 million from the Middle East.
- Major destinations include the Maghreb countries (North Africa), Israel and South Africa.
- Services payments were $597 million to the Middle East and $657 million to Africa in 2003.



Note: Chart does not include the Middle East

- FDI to Africa was worth $2.5 billion in 2004, down from a peak of $3.5 billion in 2001.
- Unfortunately, in order to protect business confidentiality, data on specific destinations are unavailable.
- South Africa is the source of virtually all inbound FDI from Africa.

Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca.

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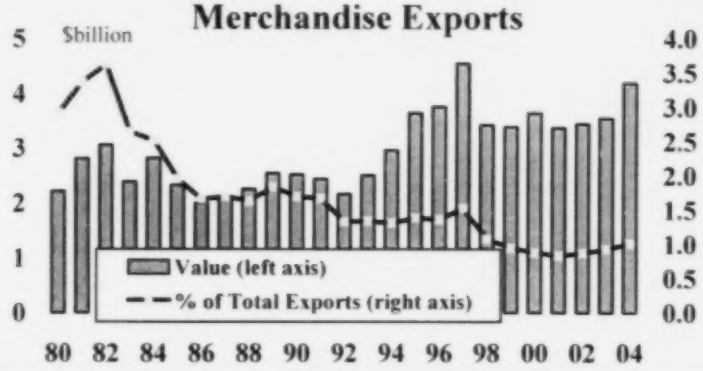
AFRICA AND MIDDLE EAST

A. Total

2. Merchandise Exports

Merchandise Exports



- Exports to Africa and the Middle East grew by 18.0% in 2004, ending five years of stagnancy.
- Exports reached $4.2 billion in 2004, the second-highest level on record.
- Middle East countries dominate Canada's exports to the region.

Composition of Exports

Major Export Products

	Value ($million)		Growth: 1990-2004	
	1990	2004	$million	%/yr.
Machinery and equipment	172.6	748.1	575.5	11.0
Cereals	760.7	639.4	-121.3	-1.2
Motor vehicles, parts and related	129.5	415.8	286.3	8.7
Electrical/electronic machinery and equipment	168.4	327.2	158.9	4.9
Aerospace vehicles	51.0	283.0	232.0	13.0
Paper and paper products	81.1	255.0	173.9	8.5
Optical, scientific and technical instruments	26.0	153.7	127.7	13.5
Fossil fuels, energy and related	12.3	127.3	115.0	18.2
Vegetables, roots and tubers	29.2	95.6	66.4	8.8
Pharmaceutical products	18.6	79.3	60.7	10.9
Oil seeds, fodder, medicinal plants, etc.	1.8	72.1	70.2	30.0
Wood and articles of wood	140.0	68.9	-71.1	-4.9
Precious metals/stones, coins, jewellery, etc.	11.2	66.1	54.9	13.5

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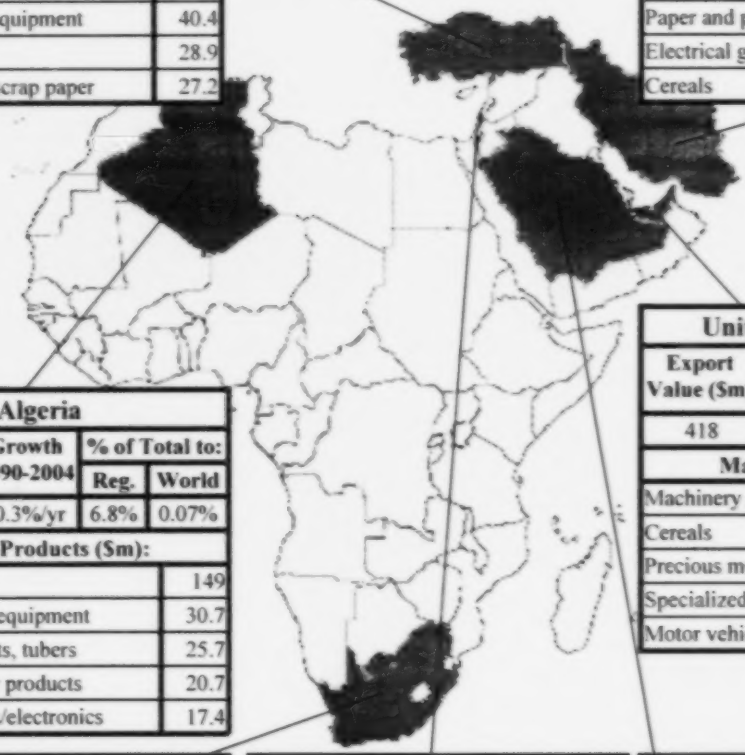
Major Export Destinations in Africa and the Middle East



Turkey			
Export Value ($m)	Growth 1990-2004	% of Total to: Reg.	World
365	6.0%/yr	8.7%	0.09%
Major Products ($m):			
Fossil fuels, energy and related			89.8
Paper and paper products			52.4
Machinery and equipment			40.4
Cereals			28.9
Wood pulp and scrap paper			27.2

Iran			
Export Value ($m)	Growth 1990-2004	% of Total to: Reg.	World
223	-3.4%/yr	5.3%	0.05%
Major Products ($m):			
Oil seeds, oleaginous fruits, etc.			62.2
Machinery and equipment			61.9
Paper and paper products			22.0
Electrical goods/electronics			15.7
Cereals			9.8

Algeria			
Export Value ($m)	Growth 1990-2004	% of Total to: Reg.	World
284	-0.3%/yr	6.8%	0.07%
Major Products ($m):			
Cereals			149
Machinery and equipment			30.7
Vegetables, roots, tubers			25.7
Paper and paper products			20.7
Electrical goods/electronics			17.4

United Arab Emirates			
Export Value ($m)	Growth 1990-2004	% of Total to: Reg.	World
418	20.6%/yr	10.0%	0.10%
Major Products ($m):			
Machinery and equipment			105
Cereals			49.0
Precious metals/stones, coins, etc			47.6
Specialized instruments			32.8
Motor vehicles and parts			26.4

South Africa			
Export Value ($m)	Growth 1990-2004	% of Total to: Reg.	World
364	5.2%/yr	8.7%	0.09%
Major Products ($m):			
Aerospace vehicles and parts			68.4
Machinery and equipment			67.2
Electrical goods/electronics			32.3
Motor vehicles and parts			20.4
Milled goods, malt, gluten, etc.			19.7

Israel			
Export Value ($m)	Growth 1990-2004	% of Total to: Reg.	World
382	7.1%/yr	9.1%	0.09%
Major Products ($m):			
Machinery and equipment			136
Electrical goods/electronics			57.0
Aerospace vehicles and parts			34.8
Paper and paper products			34.1
Precious metals/stones, coins, etc			16.4

Saudi Arabia			
Export Value ($m)	Growth 1990-2004	% of Total to: Reg.	World
585	5.4%/yr	14.0%	0.14%
Major Products ($m):			
Motor vehicles and parts			258
Cereals			63.8
Electrical goods/electronics			54.8
Machinery and equipment			36.7
Paper and paper products			24.4

Sources: All tables and charts created by the author using Statistics Canada data, available on Industry Canada's Strategis Web site at www.strategis.ic.gc.ca

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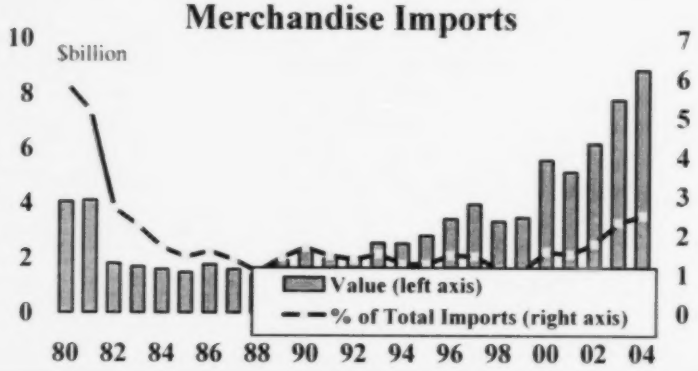
BIBLIOTHÈQUE DU PARLEMENT

AFRICA AND MIDDLE EAST

A. Total

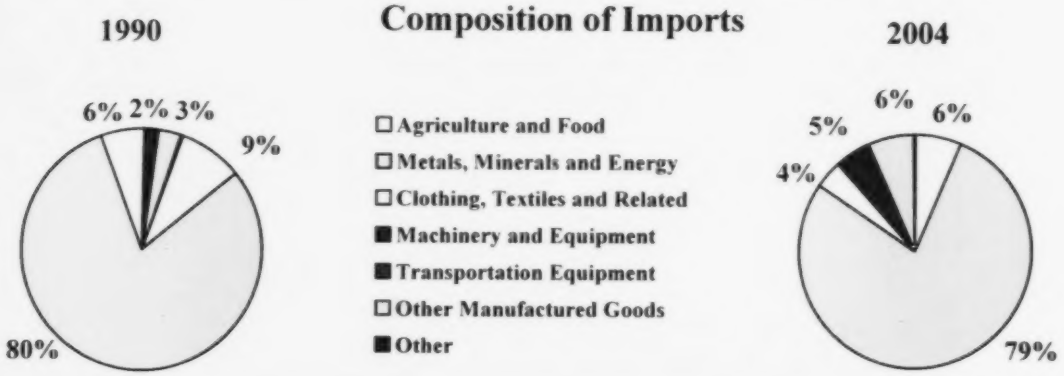
3. Merchandise Imports

Merchandise Imports



- Goods imports from Africa and the Middle East totalled $8.9 billion in 2004, accounting for 2.5% of Canada's global imports.
- Petroleum imports from three countries – Algeria, Iraq and Saudi Arabia – accounted for over 60% of that total.

Composition of Imports



Major Import Products

	Value ($million)		Growth: 1990-2004	
	1990	2004	$million	%/yr.
Fossil fuels, energy and related	1,578.8	6,018.5	4,439.7	10.0
Iron and steel	39.9	377.4	337.5	17.4
Precious metals/stones, coins, jewellery, etc.	69.1	221.7	152.6	8.7
Cocoa and cocoa preparations	27.4	210.1	182.8	15.7
Electrical/electronic machinery and equipment	9.7	197.5	187.8	24.0
Organic chemicals	9.1	162.3	153.2	22.8
Fruits and nuts	57.4	160.2	102.8	7.6
Machinery and equipment	18.2	152.7	134.5	16.4
Ores, slag and ash	30.3	134.0	103.7	11.2
Clothing and apparel (woven)	35.3	115.2	79.9	8.8
Clothing and apparel (knitted or crocheted)	23.7	87.9	64.2	9.8
Inorganic chemicals, radioactive compounds	25.9	87.8	61.9	9.1
Pharmaceutical products	0.8	60.6	59.8	36.4

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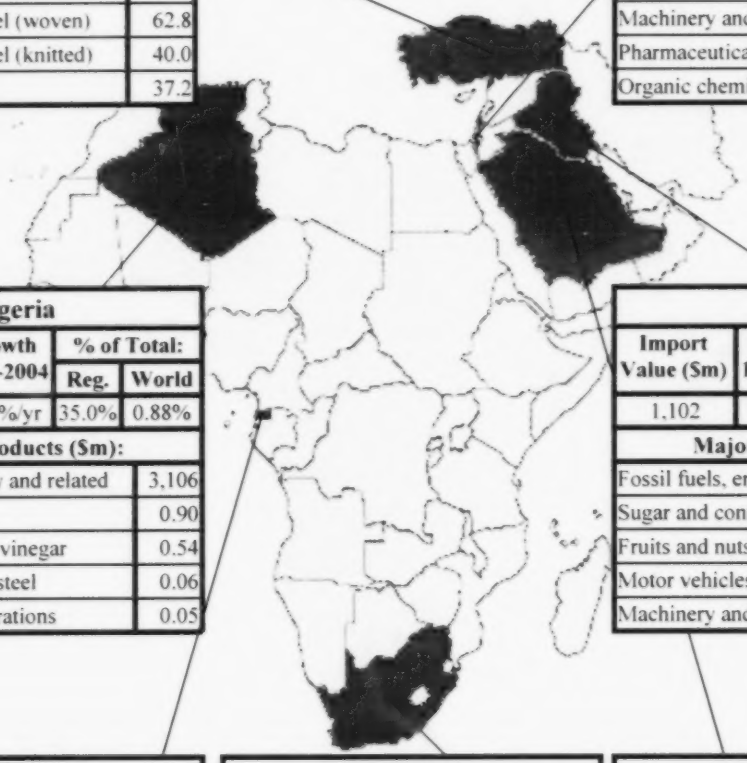
BIBLIOTHÈQUE DU PARLEMENT

A. Total

3. Merchandise Imports (cont'd)

Major Sources of Imports in Africa and the Middle East



Turkey

Import Value ($m)	Growth 1990-2004	% of Total: Reg.	% of Total: World
610	15.2%/yr	6.9%	0.17%

Major Products ($m):	
Iron and steel	142
Fossil fuels, energy and related	88.9
Clothing and apparel (woven)	62.8
Clothing and apparel (knitted)	40.0
Ceramic products	37.2

Israel

Import Value ($m)	Growth 1990-2004	% of Total: Reg.	% of Total: World
697	13.1%/yr	7.8%	0.20%

Major Products ($m):	
Electrical goods/electronics	142
Precious metals/stones, coins, etc	106
Machinery and equipment	88.8
Pharmaceutical products	56.5
Organic chemicals	45.9

Algeria

Import Value ($m)	Growth 1990-2004	% of Total: Reg.	% of Total: World
3,109	32.3%/yr	35.0%	0.88%

Major Products ($m):	
Fossil fuels, energy and related	3,106
Fruits and nuts	0.90
Beverages, spirits, vinegar	0.54
Articles of iron or steel	0.06
Misc. edible preparations	0.05

Iraq

Import Value ($m)	Growth 1990-2004	% of Total: Reg.	% of Total: World
1,102	17.7%/yr	12.4%	0.31%

Major Products ($m):	
Fossil fuels, energy and related	1,102
Sugar and confectionery	–
Fruits and nuts	–
Motor vehicles and parts	–
Machinery and equipment	–

Equatorial Guinea

Import Value ($m)	Growth 1990-2004	% of Total: Reg.	% of Total: World
341	–	3.8%	0.10%

Major Products ($m):	
Fossil fuels, energy and related	340
Cocoa and cocoa preparations	0.5
Electrical goods/electronics	–
Sugar and confectionery	–
Ores, slag and ash	–

South Africa

Import Value ($m)	Growth 1990-2004	% of Total: Reg.	% of Total: World
648	11.5%/yr	7.3%	0.18%

Major Products ($m):	
Iron and steel	105
Ores, slag and ash	93.8
Fruits and nuts	70.0
Precious metals/stones, coins, etc	63.6
Cocoa and cocoa preparations	40.2

Saudi Arabia

Import Value ($m)	Growth 1990-2004	% of Total: Reg.	% of Total: World
1,228	4.0%/yr	13.8%	0.35%

Major Products ($m):	
Fossil fuels, energy and related	1,165
Organic chemicals	36.1
Ores, slag and ash	12.6
Precious metals/stones, coins, etc	5.6
Other made-up textiles/clothing	0.81

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